



DRAFT

HOUSING ELEMENT

APRIL 2009

CITY OF HOLLISTER
HOUSING ELEMENT 2008-2014
OF THE GENERAL PLAN

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SECTION 1.0

INTRODUCTION TO THE HOUSING ELEMENT

Recognizing the importance of providing adequate housing in all communities, the State of California has mandated a Housing Element within every General Plan since 1969. Article 10.6, Section 65580 – 65589.8, Chapter 3 of Division 1 of Title 7 of the Government Code sets forth the legal requirements of the Housing Element and encourages the provision of affordable and decent housing in all communities to meet Statewide goals. Specifically, Section 65580 states the element shall consist of ". . . *an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources and scheduled programs for the preservation, improvement, and development of housing.*" The element must also contain a five-year housing plan with quantified objectives for the implementation of the goals and objectives of the Housing Element. The contents of the element must be consistent with the other elements of the General Plan.

Meeting the housing needs established by the State of California is an important goal for the City of Hollister. As the population of the State continues to grow and scarce resources decline, it becomes more difficult for local agencies to create adequate housing opportunities while maintaining a high standard of living for all citizens in the community.

This Housing Element (2009-2014) was created in compliance with State General Plan law pertaining to Housing Elements and was reviewed by the Hollister Planning Commission on April 2, and is scheduled for review by the Hollister City Council on April 20, 2009.

1.1 PURPOSE

The State of California has declared that "*the availability of housing is of vital statewide importance and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.*" In addition, government and the private sector should cooperate to provide a diversity of housing opportunity and accommodate regional housing needs. At the same time, housing policy must recognize economic, environmental and fiscal factors and community goals within the general plan.

Further, State Housing Element law requires "*An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs.*" The law requires:

- ❑ An analysis of population and employment trends
- ❑ An analysis of the City's fair share of the regional housing needs
- ❑ An analysis of household characteristics
- ❑ An inventory of suitable land for residential development
- ❑ An analysis of the governmental and non-governmental constraints on the improvement, maintenance and development of housing

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- ❑ An analysis of special housing needs
- ❑ An analysis of opportunities for energy conservation
- ❑ An analysis of publicly-assisted housing developments that may convert to non-assisted housing developments

The purpose of these requirements is to develop an understanding of the existing and projected housing needs within the community and to set forth policies and schedules which promote preservation, improvement and development of diverse types and costs of housing throughout Hollister.

1.2 ORGANIZATION

Hollister's Housing Element is organized into four primary sections:

Review of the Previous Housing Element: This section includes an evaluation of the effectiveness and progress of the implementation of the 2003 Hollister Housing Element, as well as an examination of the appropriateness of housing goals.

Summary of Existing Conditions: This section includes current demographic information, an inventory of resources, housing cost and affordability, at-risk units, suitable land for development, and a section discussing constraints, efforts and opportunities.

Housing Needs, Issues/Trends: This section includes a discussion of State issues and policies, regional housing policies, Hollister's Regional Housing Needs Assessment (RHNA), and current housing issues.

Housing Program: This section identifies housing goals, policies and objectives. Funding sources are identified and schedules for implementation are set forth. In addition, a quantified objectives summary is provided.

1.3 RELATIONSHIP TO OTHER ELEMENTS

State Law requires that "...the general plan and elements and parts thereof comprise an integrated, internally consistent, and compatible statement of policies...." The purpose of requiring internal consistency is to avoid policy conflict and provide a clear policy guide for the future maintenance, improvement and development of housing within the City.

This Housing Element is part of a comprehensive Hollister General Plan. The plan was adopted in 2005. All elements of the Hollister General Plan have been reviewed for consistency and the Housing Element was prepared to assure compatibility with the remaining elements. The City will annually review the housing element for consistency with the general plan as part of its general plan progress report.

1.4 CITIZEN PARTICIPATION

In the past, the City of Hollister has made diligent efforts to solicit public participation pertaining to the development of the 2003-2008 General Plan, and subsequent revisions, specific plan developments, and development ordinances. These processes included workshops, public review and citizen meetings. Meetings are held at various times to ensure that all members of the community have access to the participation process.

Public participation for the current 2009-2014 Housing Element included several types of public outreach. The City of Hollister partnered with San Benito County for outreach efforts with social service organizations and community groups. City staff and San Benito County staff attended meetings between July and September of 2008 of organizations that serve special housing needs groups, provide jobs or represent community business interests. Commissioners and Council persons also served in a capacity as a liaison for the meetings. The City and County met with the following organizations on the following dates:

Date	Organization
July 21, 2008	Hollister Youth Alliance
July 23, 2008	Homeless Task Force
July 30, 2008	Community Action Network (CAN)
August 6, 2008	San Benito County Chamber of Commerce
August 7, 2008	One Stop Career Center Partner's Meeting
September 11, 2008	Community Action Board (CAB)
October 1, 2008	Jovenes de Antano
October 23, 2008	Planning Commission public hearing to receive input on Housing Needs (bilingual public notice)
October 25, 2008	Joint City/County Housing Element Outreach for Special Needs Housing Workshop in the morning
November 3, 2008	City Council public hearing to receive input on Housing Needs (bilingual public notice)

In addition to the above outreach efforts, the City also participated as an invited guest at the Senior Lunch program at Hollister Community Center and provided bi-lingual translation.

Further, a bi-lingual rental housing survey was prepared to determine the specialized or underserved housing needs in the community; surveys were conducted at some apartment complexes and were made available at the Building Departments, a local property rental company, the library, at the Community Food Bank distribution days and at the Health and Human Service Agencies.

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The City of Hollister and San Benito County collaborated to host a housing needs workshop on October 25, 2009; bi-lingual translation was available. Decision-makers as well as representatives from a variety of interest groups attended. The workshop included a summary of issues identified from outreach efforts with community groups and social service organization. Input received from workshop participants was recorded and the suggested solutions were identified. A complete summary of the topics, issues and recommended solutions that came out of the workshop is contained in a table included as Appendix A. The City has made an effort to incorporate all feedback from the workshop and other sources into the Draft Housing Element.

All workshops were open to the public. As noted above, the City Council held a public hearing on November 3, 2008, to receive input on the Housing Element update. The City Council and Planning Commission held a joint study session on March 16, 2009 to review the draft element. Members of the community were invited to address concerns and give input on the contents of the Housing Element. Notices were posted in the local newspaper, at the City Hall, the community center, on the City's web site, the post office, at the public schools, and in the Hollister library. A Public Review Draft, will be prepared and made available to the community for a 60-day review period by approximately April 20. Copies of the draft will be made available in public facilities such as the City Hall, the library, the community center, the Development Services Department, and the chamber of commerce. Service providers and individuals representing all economic segments of the population will be notified of the availability of a draft for review.

The City has maintained an effort to involve the public throughout the housing element process by consistently and conscientiously reaching out to members of the public throughout the process (as indicated above). All potentially affected agencies will be contacted by direct mailing (at minimum) prior to subsequent hearings and meetings held by the City in reviewing and ultimately adopting the final housing element.

Staff continues to consider all comments received by the public from all sources; any specific concerns related to development standards or any other City policy or approval process have been and will continue to be thoroughly considered by staff in assembling the final draft of the housing element. Where appropriate, comments have been incorporated into the document. As this is a living document, the City will remain open to dialogue with all members of the public, as well as public and private agencies, after the document is adopted by the City Council and certified by the State of California.

1.5 REVIEW OF PREVIOUS ELEMENT

State law requires the City of Hollister to review its Housing Element in order to evaluate:

- a. "The effectiveness of the previous Housing Element in attainment of the community's housing goals and objectives." The effectiveness of the Housing Element should be quantified where possible and qualitative where necessary.
- b. "The progress of the City and/or County, in implementation of the Housing Element." An analysis should be performed to determine where the previous Housing Element met, exceeded, or fell short of what was anticipated.
- c. "The appropriateness of the housing goals, objectives and policies in contributing to the attainment of the state housing goal." Describe how goals, objectives, and policies are being changed or adjusted as necessary.

The remainder of this section fulfills this State requirement.

1.5.A. EFFECTIVENESS OF PREVIOUS ELEMENT

The State's housing goal is met by an assignment of gross allocations of housing unit goals to regional governments, which in turn allocate the housing unit goals to counties and cities. The document produced by regional governments that allocates housing unit goals is referred to as the "Regional Housing Needs Assessment" (RHNA). The last funded RHNA for San Benito County was prepared in 2001 from the Council of San Benito County of Governments, which covered the period January 1, 2001 to June 30, 2009. The 2009-2014 RHNA is discussed in Section 2.2-New Construction Needs.

The effectiveness of the City of Hollister's Housing Programs in meeting regional housing needs can be measured by the level of achievement in constructing new housing units. Many uncontrollable factors influenced the City's effectiveness. The primary determinant was the City's inability to construct or approve new residential units because of a lack of sewerage capacity between October of 2002 and December of 2008. Early in the prior RHNA period (2000, 2001 and 2002), approximately 600 single family units were built in the City. However, prior to the sewer moratorium, the City was able to approve allocations for construction of 1200 new housing units from

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prior growth management programs and a development agreement. Nearly 19 percent will be made affordable to lower income households. In 2008 the City issued building permits for 15 single family homes out of the previously approved 1,200 units.

CITY OF HOLLISTER 2000 THROUGH 2009 RHNA ACHIEVEMENT LEVELS

City	2000-2009 RHNA Goal	2000-2009 Units Constructed	2000-2009 Units Approved	Percent of Goal Achieved
Extremely Low	300	0	56	18.6%
Very Low Income	300	0	57	19%
Low Income	599	0	113	18.8%
Moderate Income	725	0	368	50.7%
Above Moderate Income	1,230	601	626	99.7%
Total	3,154	601	1,220	38.7%

Source: Council of San Benito County of Governments, Department of Finance, and Hollister Building Permits

Due to the City's inability to provide sewer service to additional urban development, the 2003-2008 Housing Element was a period of virtually no growth between 2002 and 2008.

While the City has worked to facilitate additional development of low and very low-income housing, due to the previously aforementioned factors, and other elements beyond the City's control, the City did not meet the RHNA affordable housing goals for the prior period. The City achieved approximately 18.8 percent (%) of the RHNA goals for extremely low, very low, and low income households. The City implemented its affordable housing strategy as outlined in the 2003-2008 Housing Element, and concentrated much effort on preparing to emerge from the moratorium well positioned for the pent up demand for growth. The City has retained the minimum number of housing choice vouchers and several multi-family complexes have maintained their affordability, and the Redevelopment Agency has continued to work with property owners towards rehabilitation and increasing opportunities for first-time homebuyers. The City also accomplished many of its goals, by adopting a new Zoning Ordinance and Growth Management rating scale to implement the General Plan, setting the stage for mixed-use and other types of innovative development, by passing a "Second Unit Amnesty" program, and by adopting several housing related policies.

1.5.b. PROGRESS OF HOLLISTER'S HOUSING PROGRAM

Housing Goals from prior (2003-2008) Housing Element

Goal H1: Work together to build a Sense of Community and Achieve Housing Goals.

Goal H2: Maintain and Enhance Existing Housing and blend well designed new housing into Neighborhoods and Communities.

Goal H3: Use land efficiently to Encourage a Diversity of Housing Types and to Implement "Smart" and Sustainable Development Principles.

Goal H4: Develop Affordable Housing Opportunities

Goal H5: Provide housing for Special Needs Populations.

The following table provides an overview of the objectives and goals in the 2003-2008 Housing Element and the City's progress on implementation.

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TABLE 4
2003- 2008 CITY OF HOLLISTER HOUSING ELEMENT
PROGRESS IN MEETING OBJECTIVES

HOUSING ELEM. GOAL	HOUSING ELEM. PROGRAM	STATUS/PROGRESS	2009 DRAFT HOUSING ELEMENT PROGRAM
H1.1: Local Government Leadership: Establish affordable housing as a citywide priority, with local government taking a proactive leadership role in working with community groups and other agencies on identified housing element implementation actions in a timely manner.	Update the housing element regularly: Undertake housing element updates as needed, including an update to occur no later than June 2009, in accordance with State law requirements.	Continue as On-Going implementation	New Program HV

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	<p>Prepare information and conduct outreach on housing issues: Coordinate with local businesses, housing advocacy groups and neighborhood groups in building public understanding and support for affordable and special needs housing. Through written materials and public presentations, inform residents of housing needs, issues, and programs (second units, rental assistance, rehabilitation loans, etc.)</p> <p>Specific actions include:</p> <ol style="list-style-type: none"> Provide information pamphlets on housing issues and programs at public locations and community mailings. Distribute material to neighborhood groups and associations. <p>Provide public information through articles in the local newspapers and the City's newsletter and on the City's website.</p>	<p>City conducted housing workshops on throughout July and August of 2008; July 21, 23, and 30 and August 6, and 7, as well as additional efforts through the balance of Fall/Winter 2008. The City also makes information available on web site and at the public counter in City Hall.</p>	<p>New Program H.U commits the City to ongoing public outreach efforts.</p>
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	d. Work with unions, churches, businesses, new housing providers and other groups that might be mobilized to help support affordable and special needs housing development.		
H1.2: Community Participation in Housing and Land Use Plans: Assure effective and informed public participation from all economic segments of the community in the formulation and review of housing and land use issues, policies, and programs.	Facilitate the establishment of neighborhood associations: Encourage community members and developers to establish neighborhood associations. Establish direct communication channels with City Hall, develop shared goals and action plans, and publicize joint efforts through the City's newsletter and website.	On-Going implementation.	Program HG
H1.3: Managed Growth that meets Regional Housing Needs Determinations: Manage new growth and assure orderly development of vacant land while expanding public services and infrastructure to meet housing need. Assure that a growth management program does not preclude the City's ability to meet affordable housing goals for	Modify the growth control ordinance after the expiration of Measure U: Within six months of the expiration of Measure U, the City will consider amending the Growth Management Ordinance to exempt very low and lower-income affordable housing units and new dwelling units in the Downtown Commercial/Mixed-Use Designation. Implementation is expected to occur 5-years after the RWQCB Cease and Desist Order is lifted.	Measure U expires in 2012. Growth Management implemented with adoption of new rating scale. City Council placed Measure Y on the November 2008 ballot which passed. The measure, exempts residential projects in the downtown district. See discussion in Section 2.3.	Allow construction of 1182 allocated residential units from prior growth management programs. 2009-2010: Host informational meetings with property owners in the Measure Y exemption area to inform them about options for infill residential housing on upper levels and under-utilized properties. New Program H.L.

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lower and moderate-income households.			<p><u>2008-2010 Allocation:</u> Allocate 709 residential units based on Measure U with at least 120 units for affordable housing and target 58% of the housing allocations for multi-family and mixed use zoning districts to reduce the shortage of multi-family housing stock.</p> <p><u>2011-2012:</u> Allocate at least 288 residential units based on Measure U with 80 affordable and at least 45% of the residential allocations to multi-family and mixed use land use zoning districts. Program H.H</p> <p><u>2011-2012:</u> Prior to expiration of Measure U evaluate whether or not a growth management program is warranted. Assure that any growth management program allows construction of at least 254 residential units per year based on General Plan Table LU1. Modify any growth control ordinance to continued the Measure Y exemption and exclude infill development in all residential and mixed use zoning districts from minor subdivisions or development of four units or less on a property.</p>
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			New Program H.Q
<p>H1.4: Timing of Housing and Infrastructure: Continue to support the timing of new housing with needed infrastructure improvements.</p>	<p>Expand sewer and water system capacity to meet housing needs: Develop long-term wastewater treatment program that allows the City to resume construction activity and provides adequate capacity to meet projected housing needs. Identify additional development projected under the General Plan.</p>	<p>On-Going Implementation. New Wastewater treatment plant operational as of November, 2008.</p> <p>Continue to negotiate MOU with water districts.</p>	<p>Program H.I</p>
<p>H1.5: Equal Housing Opportunity: Ensure equal housing opportunities for individuals and families seeking housing in Hollister are not discriminated against on the basis of race, color, religion, marital status, disability, age, sex, family status (due to the presence of children), national origin, or other arbitrary factors, consistent with the Fair Housing Act.</p>	<p>Respond to fair housing complaints: The Redevelopment Project Manager will investigate and deal appropriately with fair housing complaints. The City will refer discrimination complaints to the appropriate legal service, county or state agency. If mediation fails and enforcement is necessary, the City will refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint.</p>	<p>On-Going Implementation</p>	<p>Program H.EE</p>

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	<p>Disseminate fair housing information: The Redevelopment Project Manager is the designated Equal Opportunity Coordinator in Hollister and will ensure that written materials regarding fair housing law are provided at various public locations in the City and that information regarding fair housing agencies and phone numbers is posted on the City's website and at City Hall, the Post Office, and local transit locations where feasible. The Redevelopment Project Manager will provide information to real estate professionals, property owners and tenants on their rights, responsibilities, and the resources available to address fair housing issues.</p>	<p>English and Spanish Fair Housing Information is Posted at City Hall, the Building Department and Redevelopment Agency/Development Services Department</p>	<p>Program H.EE</p>
	<p>Adopt an anti-discrimination ordinance: The City will adopt and Anti-Discrimination Ordinance to prohibit discrimination based on the source of a person's income or the use of rental subsidies, including Section 8 and other rental programs.</p>	<p>The City is not proceeding with this implementation program; remove program.</p>	

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<p>H1.6: Monitoring, Evaluation and Revisions: Establish a regular monitoring and update process to assess housing needs, opportunities, and achievements, and modify policies, programs and resource allocations as needed.</p>	<p>Implement monitoring systems: Annually monitor and update housing development accomplishments, including housing type and affordability level of housing units approved and built during the planning period. Monitor general housing conditions and track the number of housing units rehabilitated and replaced against housing program objectives. Maintain an up-to-date inventory of vacant land for distribution to developers and non-profit developers organizations; mail this inventory to private and non-profit developers on an annual basis and provide this information at the planning counter and by request to all interested parties.</p>	<p>On-Going Implementation as part of annual general plan progress report.</p>	<p>Program H.Y</p>
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	<p>Conduct an annual housing element review: Develop a process for the assessment of Housing Element implementation through annual review by the Hollister Planning Commission and City Council in conjunction with State requirements for a written review by July 1 of each year (per Government Code Section 65583(3)). Provide opportunities for public input and discussion in the review and establishment of annual work priorities for staff, Planning Commission, and City Council. Submit an annual general plan progress report to HCD by October 1 as required pursuant to Government Code Section 5400.</p>	<p>On-Going Implementation, as part of annual general plan progress report.</p>	<p>Program H.X</p>
<p>H1.7: Legislative efforts: Work with other jurisdictions in San Benito County and the surrounding areas to support key legislation that assists cities in providing affordable housing consistent with the General Plan.</p>	<p>Prepare information and conduct outreach on housing issues: Coordinate with local businesses, housing advocacy groups and neighborhood groups in building public understanding and support for affordable and special needs housing. Through written materials and public presentations, inform residents of housing needs, issues, and programs (second units, rental assistance, rehabilitation loans, etc.)</p>	<p>On-Going Implementation</p>	<p>Program H.G</p>

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	<p>Specific actions include:</p> <ul style="list-style-type: none"> c. Provide information pamphlets on housing issues and programs at public locations and community mailings. d. Distribute material to neighborhood groups and associations. e. Provide public information through articles in the local newspapers and the City's newsletter and on the City's website. f. Work with unions, churches, businesses, new housing providers and other groups that might be mobilized to help support affordable and special needs housing developments. 		
<p>H2.1: Housing design process: Review proposed new housing to achieve excellence in development and design through an efficient project review process.</p>	<p>Adopt criteria for use in design review and refine the design review process: Adopt design criteria that will establish consistent development review for use by applicants, the community, staff and decision-makers in order to:</p> <ul style="list-style-type: none"> a. Define clearly the purview and purpose of the "design review" process, issues, and decisions. b. Create a simple and streamlined 	<p>Program action complete. The City of Hollister will implement newly adopted Architectural review process.</p>	<p>Program H.H</p>

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	<p>process for non-controversial projects.</p> <p>c. Provide public handouts and train planners and design review members on the design review process and criteria to be used in reviewing projects.</p> <p>d. Clarify which types of projects can have final (and exclusive) approval at the design review level, either with a design review board or with staff, subject to adequate noticing and appeal procedures (such as second units, house additions, etc.)</p> <p>The principles that drive the criteria are:</p> <p>a. Building Bulk Requirements. In multi-unit buildings, require designs to break up the building mass and reducing bulk, including the use of upper story setbacks and landscaping. Ensure a human scale in new development, and when possible create multi-family buildings that have the appearance of single-family homes. Windows, doors and exterior treatment, for</p>		
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	<p>example, are an important element of building design and are an indicator of overall building quality.</p> <p>b. Street Patterns. Incorporate transitions in height and setbacks from adjacent properties to respect adjacent development character and privacy. Design new housing so that it relates to the existing street pattern and creates a sense of neighborliness with surrounding buildings.</p> <p>c. Enhance the "Sense of Place". Design new housing around natural and designed focal points, through direct pedestrian, transit or automobile connections. Respect existing landforms, paying attention to boundary areas and effects on adjacent properties.</p> <p>d. Minimize the Visual Impact of Parking and Garages. Encourage driveways and garages to be located to the side of buildings and recessed, or along rear alleyways or below the building in some higher density developments.</p>		
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	Discourage home designs in which garages dominate the public façade of the home. e. Use Quality Building Materials. Building materials should be high quality, long lasting, durable and energy efficient.		
H2.2: Design that fits into the Neighborhood Context: Enhance neighborhood identity and sense of community by designing new housing with a sensitive transition of scale and compatibility with the surrounding neighborhood.	SAME AS ABOVE	Program action complete, remove program. City will implement newly adopted Architectural review process.	Program H.H
H2.3: Housing Design Principles: Provide stable, safe, and attractive neighborhoods through high quality architecture, site planning, and amenities that address the following principles: a. Building Bulk Requirements b. Street Patterns c. "Sense of Place" d. Visual Impact of Parking and Garages e. Quality Building	SAME AS ABOVE	Program action complete. The City will implement newly adopted Architectural review process.	Program H.H

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Materials	Publicize energy conservation programs: Provide public information on alternative energy technologies for residential developers, contractors and property owners. Publicize energy conservation programs and weatherization services that are available to provide subsidized or at cost inspection and corrective action by making information available through websites and newsletters.	Continue to publicize energy conservation programs to cut long term energy costs, and lower the cost of construction.	Program H.I.T
H2.4: Resource Conservation: Promote development and construction standards that provide resource conservation by encouraging housing types and designs that use cost-effective energy conservation measures and fewer resources (water, electricity, etc.) and therefore cost less to operate over time, supporting long term housing affordability.	Apply Title 24 requirements: Meet or exceed Title 24 energy conservation requirements, and, where possible, require structural and landscaping design to make use of natural heating and cooling. Promote Solar Design: Promote the use of solar energy and develop design standards relating to solar orientation, including landscaping, fences, impervious surfaces, and parking-space requirements to conserve energy.	See above.	Program H.I.HH
H2.5: Renewable Energy Technologies: Promote the use of renewable energy technologies (such as solar and wind) in new and rehabilitated housing when possible.	Encourage "green" building standards and processes: Adopt a "Green Building Program" to encourage the use of green building materials and energy conservation.	The City of Hollister will continue to pursue a solar program. Staff resources were allocated to completing the general plan revision and zoning ordinance revision. Keep program.	Program H.I.J Program H.I.T

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<p>H2.6: Maintenance and Management of Quality Housing: Support good management practices and the long-term maintenance and improvement of existing housing through housing and building code enforcement, and rehabilitation loan assistance for low and moderate income homeowners and rental property owners with lower income tenants. Make the most effective use of rehabilitation loan funds by prioritizing their use to meet the greatest need.</p>	<p>Link code enforcement with public information programs: Implement housing, building and fire code enforcement to ensure compliance with basic health and safety building standards, and provide information about rehabilitation loan programs for use by qualifying property owners who are cited. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise and promote programs that will assist in funding needed work.</p>	<p>Code Enforcement currently on complaint basis, approximately 42 housing and housing related code enforcement calls annually.</p>	<p>Program H.AA</p>
	<p>Assist in maximizing use of rehabilitation loan programs: Publicize low-income homeowners assistance for housing rehabilitation and the availability of other funding mechanisms to help with home upkeep and maintenance, such as reverse mortgages for seniors on fixed incomes. Utilize Redevelopment Agency funds that are available for rehabilitation purposes. Facilitate greater participation in the program by increased advertising and by encouraging resident participation.</p>	<p>The City will actively publicize availability of assistance programs. See new Program H.O.</p>	<p>Program H.U</p>

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<p>H3.1: Variety of Housing Choices: Achieve a mix of housing types, densities and designs to provide choice in owner and renter housing, housing close to jobs and transit, mixed use housing, varying affordability levels, mobile homes and manufactured housing, assisted living and supportive housing, and other housing types.</p>	<p>Establish mixed-use development standards: Assess impediments and create incentives for mixed-use housing development, including changes to zoning and development code standards to make possible affordable housing development in mixed-use zones, such as second and third stories on buildings with commercial use at ground level and offices and housing above. Provide the following incentives:</p>	<p>Implementation complete. See new continuation program.</p>	<p>Program H.F, H.L and H. II</p>
	<ul style="list-style-type: none"> a. Provide flexibility in applying parking standards based on the development's location and the type of housing units, and allow commercial and residential users to "share" parking requirements. b. Award height limit bonuses, especially downtown. c. Allow flexibility in applying development standards (FAR, lot coverage) based on the location, type, and size of units, and the design of the development. d. Encourage housing by allowing the residential component of a mixed-use development to be "additive" rather than within 		

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	<p>establish FAR for that zone.</p> <p>e. Allow tandem parking or off-site parking leases.</p> <p>f. Review Public Works, Building, Housing and Fire standards to reduce or eliminate impediments to mixed-use development where it is possible and appropriate.</p>		
	<p>Implement zoning amendments for mobile and manufactured homes:</p> <p>Comply with State Government Code by amending the Hollister Zoning Ordinance to establish mobile and manufactured homes on foundations as permitted uses in residential zones, subject to City's Design Review guidelines and other applicable zoning standards.</p>	<p>Partial completion. Zoning ordinance allows mobile and manufactured homes as a permitted use but recommend Zoning Ordinance modification in residential zone subject to design review guidelines and zoning standards.</p>	<p>Program H.K</p>

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<p>H3.2: General Plan and Zoning for Housing: Maintain an adequate supply of land designated for all types of residential development to meet the regional housing need. Within this total, maintain a sufficient supply of land for multi-family housing and mixed use housing to meet the quantitative housing need for very low, low, and moderate income housing units.</p>	<p>Prepare land use plans to facilitate multi-family infill housing: While preparing the General Plan, identify areas meeting appropriate criteria for higher density zoning. Land use plans should consider the following:</p> <ul style="list-style-type: none"> a. Use environmental assessments to expedite processing for infill and affordable housing developments. b. For key housing opportunity sites and areas, identify specific housing use and design objectives, and then incorporate fast track process provisions for subsequent projects that are consistent with the plan. c. Identify the mix of uses, minimum density standards, density bonuses, or a percentage of affordable units (sites should be rezoned at sufficient densities to create incentives for housing production within the 5-year timeframe of the housing element. 	<p>a) Implementation complete.</p>	<p>Program H.Y will continue to implement new regulations.</p> <p>New: 2008-2010 Use the approved growth rating management system to approve Growth management allocations to infill projects, at least 120 affordable units, and over 50% of the projects in the multi-family and mixed use districts to stimulate the construction of more high density rental housing.</p> <p>2011-2012 Growth Allocations:</p> <p>New: Initiate a phased program for annexation of island lands in the Sphere of Influence to meet future housing needs to assure that there is an inventory of land for new construction needs. Program H.T</p>
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	<p>d. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and required mitigation.</p> <p>e. Establish objectives and commitments in community and neighborhood plans so that project specific review can focus on site-specific issues such as design.</p> <p>f. Link plans to be consistent with CEQA exemptions and expedited review, consistent with the CEQA Section 15332.</p> <p>g. Provide clear guidelines and incentives for the development of housing in conformance with current State laws and to identify specific ways to streamline processing for subsequent development proposals.</p>	<p>City Rezoning complete designating additional land for residential other than single family, from 88% to 71%; additional measures identified for implementation, see New Program H.CC.</p>	
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	<p>Identify new sites for multi-family infill housing when opportunities arise: Identify additional sites for multi-family land use for the development of affordable and special needs housing where opportunities are available that will not dramatically change the visual characteristics or livability of an area. Such sites may include, but are not limited to:</p> <ul style="list-style-type: none"> a. Land owned by other groups and governmental agencies (such as school districts). b. Agriculture and vacant land. c. Re-use of underutilized or non-viable commercial sites and, in limited circumstances, industrial site, to encourage adaptive re-use of vacant buildings with residential or mixed residential and commercial uses. d. Parking Lots e. Residentially zoned sites where higher density is feasible or may be accommodated through lot consolidation. f. Identify other housing opportunity areas and sites where a special effort will be made through incentives and 	<p>The City has identified properties for infill through surveys of infill neighborhoods. New continuation program.</p>	<p>Program H.X</p>
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	<p>other means to provide affordable housing and where affordable housing will be built and provide incentives and other means to make that development happen.</p> <p>g. Provide information on housing opportunity sites that are prioritized for development according to the City's phasing strategy. Inform the development community about changes in growth management and allocation process that encourage mixed use, senior, and affordable units, and exempt second units and legally restricted affordable units from growth control limits. Upon adoption of new land use and growth control measures, prepare a press release for distribution to the local media. On an annual basis, mail information on housing opportunity sites and incentives for development, such as density bonuses, to private and non-profit developers who are active in San Benito County. On an on-going basis, provide information at the planning counter and by request to all interested parties.</p>		
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<p>H3.3: Efficient Use of Housing Sites and Establishment of Minimum Densities: Approve well-designed projects at the mid to high range of general plan densities; do not approve development below minimum designated General Plan densities unless physical or environmental constraints preclude its achievement. If development on a site is to occur over time require applicants to show that proposed developments do not prevent subsequent development of the site to its minimum density.</p>	<p>Prepare land use plans to facilitate multi-family infill housing: While preparing the General Plan, identify areas meeting appropriate criteria for higher density zoning. Land use plans should consider the following:</p> <ul style="list-style-type: none"> h. Use environmental assessments to expedite processing for infill and affordable housing developments. i. For key housing opportunity sites and areas, identify specific housing use and design objectives, and then incorporate fast track process provisions for subsequent projects that are consistent with the plan. j. Identify the mix of uses, minimum density standards, density bonuses, or a percentage of affordable units (sites should be rezoned at sufficient densities to create incentives for housing production within the 5-year timeframe of the housing element.) k. Prepare area-wide or specific plan environmental baseline data and assessment of 	<p>New Zoning Code and Continuation programs.</p>	<p>Program H.X. and H.BB</p>
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	<p>development impacts under maximum development scenarios as a way to assess area-wide impacts and required mitigation.</p> <p>l. Establish objectives and commitments in community and neighborhood plans so that project specific review can focus on site-specific issues such as design.</p> <p>m. Link plans to be consistent with CEQA exemptions and expedited review, consistent with the CEQA Section 15332.</p> <p>Provide clear guidelines and incentives for the development of housing in conformance with current State laws and to identify specific ways to streamline processing for subsequent development proposals.</p>		
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H3.4: Development Standards: Allow for flexibility in applying development standards, such as FAR, height limits, density, and parking, based on the location and design of the development, compatibility with adjacent uses, and the type, size, and income levels of the occupants of the housing; recognize that smaller more affordable housing near transit and services will generate fewer trips and area-wide impacts and will require less parking.	Identify additional sites for multi-family land use for the development of affordable and special needs housing where opportunities are available	Implementation completed with adoption of Title 17. Remove program.	-
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<p>H3.5: Impact and Planning Fees: Reduce and/or defer fees for lower income housing to the extent possible and when possible, and encourage other agencies to also do so.</p>	<p>Revise impact and planning fees: Assess the feasibility of establishing fees on a sliding scale so that smaller units, including multi-family and second units, are charged lower fees while maintaining adequate funding levels for infrastructure and public services. Complete feasibility study by January 2007; implement recommended impact and planning fees by June, 2007.</p>	<p>Reduced connection fees for multi-family units were adopted between 2005 and 2008 for sewer connections, water connections and traffic. The City will continue to seek ways to lower housing development costs.</p>	<p>Program H.C</p>
<p>H3.6: Mixed Use Housing: Promote and provide incentives for well-designed mixed-use residential/ non residential developments in areas that allow mixed uses, where residential use is appropriate to the setting, and development impacts can be mitigated. Allow residential use as part of mixed use projects, particularly Downtown.</p>	<p>Establish mixed-use development standards: Assess impediments and create incentives for mixed-use housing development, including changes to zoning and development code standards to make possible affordable housing development in mixed-use zones, such as second and third stories on buildings with commercial use at ground level and offices and housing above. Provide the following incentives:</p> <ul style="list-style-type: none"> a. Provide flexibility in applying parking standards based on the development's location and the type and size of the housing units, and allow commercial and residential users to 'share' 	<p>Implementation complete, remove program.</p>	<p>-</p>

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	<p>parking requirements.</p> <p>b. Award height limit bonuses, especially Downtown.</p> <p>c. Allow flexibility in applying development standards (FAR, lot coverage) based on the location, type, and size of the units, and the design of the development.</p> <p>d. Encourage housing by allowing the residential component of a mixed use development to be 'additive' rather than within the established FAR for that zone.</p> <p>e. Allow tandem parking or off-site parking leases.</p> <p>f. Review Public Works, Building, Housing and Fire standards to reduce or eliminate impediments to mixed-use development where it is possible and appropriate.</p>			
<p>H3.7: Employee Housing: Encourage employers developing large projects (100+ employees) to provide housing opportunities for their employees onsite or offsite.</p>	<p>Prepare land use plans to facilitate multi-family infill housing: While preparing the General Plan, identify areas meeting appropriate criteria for higher density zoning. Land use plans should consider the following:</p> <p>n. Use environmental assessments to expedite processing for infill</p>	a) Complete, continuation programs.	Programs H.X and H.BB	

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	<p>and affordable housing developments.</p> <ul style="list-style-type: none">o. For key housing opportunity sites and areas, identify specific housing use and design objectives, and then incorporate fast track process provisions for subsequent projects that are consistent with the plan.p. Identify the mix of uses, minimum density standards, density bonuses, or a percentage of affordable units (sites should be rezoned at sufficient densities to create incentives for housing production within the 5-year timeframe of the housing element.)q. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and required mitigation.r. Establish objectives and commitments in community and neighborhood plans so that project specific review can focus on site-specific issues such as		
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	<p>design.</p> <p>s. Link plans to be consistent with CEQA exemptions and expedited review, consistent with the CEQA Section 15332.</p> <p>Provide clear guidelines and incentives for the development of housing in conformance with current State laws and to identify specific ways to streamline processing for subsequent development proposals.</p>		
<p>H3.8: Second Units:</p> <p>Encourage additional well-designed second units as a desired use in all residential neighborhoods throughout the City by simplifying permit review and encouraging that in new subdivisions over 10 units a portion of the lots construct a second dwelling unit by creating appropriate incentives. Consistent with State housing law, exempt second dwelling units from area density calculations.</p>	<p>Provide information on second units for homeowners. Provide marketing and educational assistance to homeowners and develop a guide for homeowners explaining the benefits, "best practices", and procedures for adding a second unit.</p>	<p>Second unit amnesty program adopted.</p> <p>Continuation program.</p>	<p>Program H.E</p>

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	<p>Modify second unit development standards and permit processes. Encourage the development of affordable second units in single-family residential districts by adopting new second unit development standards and permit processing procedures in compliance with AB 1866. Establish second units as a permitted "use by right" when the single family lot, primary structure and second unit meet all of the zoning and building development standards established for the zoning district in which they are located. Below are specific items to review and consider modifying in regard to second unit development requirements:</p> <ul style="list-style-type: none">a. Limit the size of second units to a minimum of 150 square feet and a maximum of 850 square feet to maintain affordability.b. Reduce the minimum lot size requirement to allow second units on all lots zoned for single-family use.c. Provide for ministerial review of the second unit application at the staff level.	<p>Second unit amnesty program adopted, new standards for second units contained in Title 17. See Sect. 4.0 for new programs further encouraging and facilitating second units as a viable alternative housing type.</p>	-
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<p>H3.9: Encourage Site Planning Conducive to Physical Activity: Encourage design and site planning of residential developments that have features and amenities that support physical activities.</p>	<p>d. Establish clear design review criteria that can be applied in an objective manner to allow for attractively designed and sited detached second units.</p> <p>e. Reduce per unit fees in recognition of the small size and low impacts of second units.</p> <p>f. Allow higher height limits, in limited circumstances and consistent with design policies, to permit units over detached garages.</p> <p>g. Provide flexibility in the parking standard for second units depending on the neighborhood setting. At a maximum, require one off-street parking space per studio unit or per bedroom.</p> <p>Require owner occupancy of either one of the units.</p>	<p>a) Same as above.</p>	<p>Programs H.X and H.BB</p>
<p>Prepare land use plans to facilitate multi-family infill housing: While preparing the General Plan, identify areas meeting appropriate criteria for higher density zoning. Land use plans should consider the following:</p>	<p>t. Use environmental assessments to expedite processing for infill</p>		

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	<p>and affordable housing developments.</p> <p>u. For key housing opportunity sites and areas, identify specific housing use and design objectives, and then incorporate fast track process provisions for subsequent projects that are consistent with the plan.</p> <p>v. Identify the mix of uses, minimum density standards, density bonuses, or a percentage of affordable units (sites should be rezoned at sufficient densities to create incentives for housing production within the 5-year timeframe of the housing element.)</p> <p>w. Prepare area-wide or specific plan environmental baseline data and assessment of development impacts under maximum development scenarios as a way to assess area-wide impacts and required mitigation.</p> <p>x. Establish objectives and commitments in community and neighborhood plans so that project specific review can focus on site-specific issues such as</p>		
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	<p>design.</p> <p>y. Link plans to be consistent with CEQA exemptions and expedited review, consistent with the CEQA Section 15332.</p> <p>Provide clear guidelines and incentives for the development of housing in conformance with current State laws and to identify specific ways to streamline processing for subsequent development proposals.</p>		
<p>H4.1: Fair Share: Promote a "fair share" of well designed affordable and varied housing in all neighborhoods throughout the City.</p>	<p>Establish inclusionary housing regulations. Consistent with Housing Element policies H4.4 through H4.7, amend the Zoning Ordinance to include development of specific income targets and an "in-lieu" fee formula. Guidelines for development of an inclusionary program need to meet specific legal tests, but could include:</p> <ul style="list-style-type: none"> a. Establishment of an in-lieu fee for residential projects involving fewer than seven units. b. All residential projects of seven or more units will be required to provide units at a rate of 20 percent affordable. c. Second units may be considered 	<p>Provisions for inclusionary housing were incorporated into Condominium Conversion Ordinance adopted in August.</p>	<p>Program H.O</p>

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	<p>as partial or total fulfillment of the inclusionary requirement if site-specific conditions warrant such consideration. In such events, the total square footage of the development.</p> <p>d. Some flexibility is desirable in implementing this program, depending on the size of the units (number of bedrooms), affordability, and consideration of very low, low, and moderate income housing need.</p> <p>e. Apply inclusionary requirements to licensed care facilities.</p> <p>f. Payment of in-lieu fees, or for fractional unit requirement, shall be at a rate adequate to create the affordable units off-site.</p>			
<p>H4.2: Protection of Existing Affordable Housing: Ensure that affordable housing provided through government subsidy programs, incentives and deed restrictions will remain affordable, and intervene when necessary to help preserve such housing.</p>	<p>Protect “at risk” units. Identify assisted properties at risk of conversion to market rates and work with property owners and other parties to ensure that they are conserved as part of the City’s affordable housing stock. Identify funding sources and timelines for action.</p>	<p>City and Redevelopment Agency actively monitor potentially at risk units. None preserved during 2003-2008 housing element period; 116 at risk units identified going forward (2009-2014).</p>	Program H.R	

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<p>H4.3: Density Bonuses and Other Incentives for Affordable and Special Needs Housing</p> <p>Developments: Support and expand the use of density bonuses and other incentives to help achieve housing goals while ensuring that potential impacts are considered and mitigated.</p>	<p>Apply density bonus zoning and other incentives for affordable housing development. Encourage an increase in the supply of well-designed housing for very low, low and moderate-income households. Provide the following possible financially equivalent incentives for developments containing a significant percentage of very low or low-income units on-site:</p> <p>a. Density Bonus. Offer density bonus of at least 25 percent and at least one other incentive consistent with the State Density Bonus Law (Government Code Section 65915), for developments that include at least: (a) 20 percent of the units for lower-income households; or (b) 10 percent of the units for very low income households; or (c) 50 percent of the units for senior citizens. For example, establishing simplified density bonus provisions such as offering 2 bonus units for each unit affordable to low income (ownership) or very low income (rental).</p> <p>b. Fees. Update fee schedules to</p>	<p>New density provisions adopted as per State Law, contained in Title 17.</p> <p>Remove program.</p>	<p>New Program H. DD requires revisions as needed to comply to amendments to state law</p>
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	<p>reduce and/or defer fees to the extent possible for affordable housing, and encourage other agencies to also do so. For example, waive or reduce fees on a sliding scale related to the levels of affordability, such as rebate of all planning and building fees for affordable units based on the proportion of such units in the project.</p> <p>c. Processing. Establish "fast track" processing procedures, CEQA processing incentives, and other mechanisms to fit with funding requirements and to facilitate desirable affordable housing projects that have a significant portion of their total floor area committed to housing.</p> <p>d. Development Standards. Provide flexibility in applying development standards (e.g. parking, use of tandem parking or off-site parking alternatives, floor area, setback, height standards), subject to the type of housing, size and unit mix, location and overall design. Additional density, beyond the maximum permitted, may be</p>		
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	<p>appropriate where units are significantly smaller and would have less impacts that the market norm.</p> <p>e. Coordination. Coordinate with service providers and other agencies as necessary to create opportunities for the development to be built. In concert with Program H.DD, Identify New Site for Multifamily Infill Housing When Opportunities Arise, annually mail information on incentives for affordable housing development, such as density bonuses, to private and non-profit developers who are active in San Benito County. On an on-going base, provide such information at the planning counter and by request to all interested parties.</p> <p>f. Redevelopment Funds. Use Redevelopment Funds as appropriate to achieve greater affordability.</p> <p>Adopt Density Bonus Ordinance by December, 2006. In concert with Program H3.F, complete feasibility</p>		
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	study by January, 2008 and implement recommended impact and planning fees by June, 2008. Develop incentive package for affordable housing development, including fast track processing and flexible development standards, by October, 2008 and conduct information campaign immediately thereafter. 2004-2009.		
	Facilitate development at key housing sites: Facilitate the construction of affordable housing at key sites to meet the City's "fair share" of the regional housing need for lower income households. Ensure that local affordable housing developments will be competitively positioned to access affordable housing finance sources (such as tax credits and tax-exempt bonds). Facilitate the development or rehabilitation of affordable housing by using redevelopment set-aside funds to assist in any on and off-site mitigation that may be required or to provide gap financing.	Ongoing implementation.	Program H.W
H4.4: Inclusionary Housing - Overall Approach: To increase affordable housing construction, require residential developments involving seven or more	Establish inclusionary housing regulations. Consistent with Housing Element policies H4.4 through H4.7, amend the Zoning Ordinance to include development of specific income targets and an "in-lieu" fee	Same as above related to inclusionary housing regulations.	Program H.Q.a and H.W

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<p>units to provide a percentage of units affordable to very low, low and moderate income households. (The units provided through this policy are intended for permanent occupancy and must be deed restricted, including, but not limited to single family housing, multi-family housing, condominiums, townhouses, stock cooperatives or land subdivisions.)</p>	<p>formula. Guidelines for development of an inclusionary program need to meet specific legal tests, but could include:</p> <ul style="list-style-type: none"> g. Establishment of an in-lieu fee for residential projects involving fewer than seven units. h. All residential projects of seven or more units will be required to provide units at a rate of 20 percent affordable. i. Second units may be considered as partial or total fulfillment of the inclusionary requirement if site-specific conditions warrant such consideration. In such events, the total square footage of the development. j. Some flexibility is desirable in implementing this program, depending on the size of the units (number of bedrooms), affordability, and consideration of very low, low, and moderate income housing need. k. Apply inclusionary requirements to licensed care facilities. <p>Payment of in-lieu fees, or for fractional unit requirement, shall be at</p>	
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3. HOUSING ELEMENT

<p>H4.5: Options for Meeting Inclusionary Requirements: Establish the primary intent of the City's inclusionary requirement as the construction of new units on-site, with the focus being multi-family housing developments with deed restrictions to support long periods of affordability or the provision of second units within single-family developments. Establish the second priority for meeting inclusionary requirements as the construction of units off-site or the transfer of land and sufficient cash to develop the number of affordable units required nearby. If these options are not practical, then consider other alternatives of equal value such as in-lieu fees or rehabilitation of existing units.</p>	<p>a rate adequate to create the affordable units off-site.</p> <p>Participate in the creation of nonprofit affordable housing organization. The City will facilitate the creation of a local nonprofit entity to assist in achieving the City's housing goals and implementing programs, and to undertake other implementation actions.</p> <p>Implement plan to expend funding resources. Establish specific uses of housing funds and/or land donations generated through the inclusionary housing program, and designate the Redevelopment Housing Coordinator position to manage the program. Establish a plan by January 2008 and update annually thereafter.</p>	<p>The City of Hollister and San Benito County coordinated to establish hire and share funding for a Housing Coordinator that was filled in 2008.</p> <p>City approved three affordable rental housing projects that require deed restrictions to support long-term affordability. The City Redevelopment Agency contributed funds for two of the projects (Vista Meadows and Westside Apartments).</p> <p>A Housing Coordinator was hired late in program period. The City will continue with efforts to realize more affordable housing.</p>	<p>Program H.Q.a and H.W</p> <p>Program H.Q.a and H.W</p>
<p>H4.6: Inclusionary Housing - Income Levels: Use</p>	<p>Participate in the creation of a nonprofit affordable housing</p>	<p>Program not pursued. Most non-profits in the area are not</p>	<p>Program H.W</p>

3. HOUSING ELEMENT

inclusionary zoning requirements to target very low or low income rental units and low or moderate income ownership units.	organization. The City will facilitate the creation of a local nonprofit entity to assist in achieving the City's housing goals and implementing programs, and to undertake other implementation actions.	sustainable due to lack of financial resources. Financial resources could be better allocated with partnerships with existing non-profits and new Housing Coordinator. Program removed.	
H4.7: Payment of "In-Lieu" Fees: Accept payment of in-lieu fees only be when it is determined that transfer of land and/or dedication of units would provide fewer affordable housing units than could be obtained by the expenditure of "in-lieu" fees of affordable housing development. Calculate fees on the basis of the cost for unit development (land and improvements).	Implement plan to expend funding resources. Establish specific uses of housing funds and/or land donations generated through the inclusionary housing program, and designate the Redevelopment Housing Coordinator position to manage the program. Establish a plan by January 2008 and update annually thereafter.	Adoption of in-lieu fees dependant on Council direction on inclusionary housing.	Program H.Q.a
H4.8: Long-Term Housing Affordability: Establish resale controls and rent and income restrictions to ensure that affordable housing provided through incentives and/or inclusionary programs and as a condition of development approval	Protect "at risk" units. Identify assisted properties at risk of conversion to market rates and work with property owners and other parties to ensure that they are conserved as part of the City's affordable housing stock. Identify funding sources and timelines for action.	The City will continue to monitor for possible at-risk units.	Program H.R

3. HOUSING ELEMENT

remains affordable over time to the income group for which it is intended. Implement long-term or in perpetuity agreements and/or deed restrictions with developers to govern the affordability in such units. Provide assurance through recorded agreements and monitor their continuing affordability.	Establish resale controls and rent and income limits. Through the City's Redevelopment Agency, implement resale regulations for very low, low and moderate-income units and assure that these units remain at an affordable price level. Identify an appropriate nonprofit or government agency to manage affordable rental housing created through the inclusionary program.	The Hollister Development Agency annually adjusts resale controls and rent and income limits based on annual adjustments to the most recent Official State Income Limits.	
H4.9: City Actions to Achieve Affordable Housing Goals: Utilize the unique powers of the City's Redevelopment Agency and other means to assist in achieving the City's housing goals, especially housing for lower income households.	Facilitate development at key housing sites. Facilitate the construction of affordable housing at key sites to meet the City's "fair share" of the regional housing need for lower income households. Ensure that local affordable housing developments will be competitively positioned to access affordable housing finance sources (such as tax credits and tax-exempt bonds). Facilitate the development or rehabilitation of affordable housing by using redevelopment set-aside funds to assist in any on-and off-site mitigation that may be required or to provide gap financing.	Continuous and ongoing.	Program H. W
H5.1: Special Needs Groups: Actively promote	Monitor special needs housing. Monitor special needs housing,	Continuous and ongoing.	Programs H.G. H.BB, H.CC

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the development and rehabilitation of housing to meet the needs of special needs groups, including the needs of seniors, people with disabilities, farmworkers, the homeless, people with HIV / AIDS and other illnesses, people in need of mental health care, single parent families, large families, and other persons identified as having special housing needs.	including the following: <ul style="list-style-type: none"> a. Smaller, affordable residential units, especially for lower income single-person households. b. Affordable senior housing to meet the expected needs of an aging population, including assisted housing and board and care (licensed facilities). c. Affordable units with three or more bedrooms for large family households. d. Affordable housing that can be adapted for use by people with disabilities (specific standards are established in California Title 24 Accessibility Regulations for new and rehabilitation projects). 		
H5.2: Provision of Affordable Housing for Special Needs Households: Provide opportunities through affordable housing programs and incentives for a variety of affordable housing to be constructed or acquired for special needs groups, including assisted housing and licensed board	Monitor special needs housing. Monitor special needs housing, including the following: <ul style="list-style-type: none"> e. Smaller, affordable residential units, especially for lower income single-person households. f. Affordable senior housing to meet the expected needs of an aging population, including 	Same as above. The City will host an annual community form on housing issues.	Programs H.G. H.BB, H.CC

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and care facilities.	<p>assisted housing and board and care (licensed facilities).</p> <p>g. Affordable units with three or more bedrooms for large family households.</p> <p>Affordable housing that can be adapted for use by people with disabilities (specific standards are established in California Title 24 Accessibility Regulations for new and rehabilitation projects).</p>		
<p>H5.3: Density Bonuses for Special Needs Housing:</p> <p>Given the potential for less parking and traffic generation, use density bonuses to assist in meeting special housing needs for lower income elderly and persons with disabilities.</p>	<p>Monitor special needs housing.</p> <p>Monitor special needs housing, including the following:</p> <p>h. Smaller, affordable residential units, especially for lower income single-person households.</p> <p>i. Affordable senior housing to meet the expected needs of an aging population, including assisted housing and board and care (licensed facilities).</p> <p>j. Affordable units with three or more bedrooms for large family households.</p> <p>Affordable housing that can be adapted for use by people with disabilities (specific standards are established in California Title 24</p>	<p>Continuous and ongoing. The City will monitor special needs housing in relation to Chapter 17.04 Article 2 of the Hollister Municipal Code.</p>	<p>Program H.G., H.B.B, H.C.C and H.D.D</p>

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<p>H5.4: Group Residential Care Facilities: Support the provision of residential care facilities for special needs persons provided they are based on suitable standards and help meet needs. Allow small facilities in all residential areas, while larger facilities should be permitted by use permit where the use would be compatible with the surrounding area.</p>	<p>Accessibility Regulations for new and rehabilitation projects).</p> <p>Modify residential care facility zoning. Establish Residential Care Facility (RCF) zoning and apply inclusionary requirements to all licensed facilities. The zoning ordinance shall be amended to permit group residential in appropriate zoning designations per the general plan, review of parking standards, and review of other requirements for these uses.</p>	<p>New compliant zoning regulations adopted as part of Title 17, (Table 17.04-1, page 45); remove program.</p>	<p>-</p>
<p>H5.5: Emergency Housing Assistance for the Homeless: Participate and allocate funds, as appropriate, for County and non-profit programs providing emergency shelter and related counseling services.</p>	<p>Provide emergency housing assistance. Participate and allocate funds, as appropriate, for nonprofit programs providing emergency shelter and related counseling services.</p>	<p>At this time, the will not be providing direct housing assistance. Remove Program</p>	<p>-</p>
<p>H5.6: Farmworker Housing: Continue to work with the County to find solutions to farmworker housing needs and support efforts and provide assistance to</p>	<p>Establish zoning for farmworker and ranch hand housing. Facilitate the approval of Farmworker and Ranch Hand housing by identifying where it is allowed, establishing applicable zoning regulations and standards, and</p>	<p>Implementation will be addressed in this housing element.</p>	<p>Program H.O</p>

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develop appropriate solutions to providing temporary or permanent affordable farmworker housing.	allowing this type of housing without rezoning.		
<p>H5.7: Reasonable Accommodation for People With Disabilities: Ensure equal access to housing for people with disabilities and provide reasonable accommodation for people with disabilities in the City's rules, policies, practices and procedures related to zoning, permit processing and building codes.</p>	<p>Modify residential care facility zoning. Establish Residential Care Facility (RCF) zoning and apply inclusionary requirements to all licensed facilities. The zoning ordinance shall be amended to permit group residential in appropriate zoning designations per the general plan, review of parking standards, and review of other requirements for these uses.</p> <p>Adopt a reasonable accommodation ordinance. Adopt an ordinance that includes a procedure for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the various land use, zoning, or building laws, rules, policies, practices and procedures of the City.</p>	<p>New compliant zoning regulations adopted as part of Title 17, (Table 17.04-1, page 45); remove program.</p> <p>Reasonable Accommodation Policy adopted during prior housing element period. Remove program.</p>	<p>-</p> <p>-</p>

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	<p>Respond to requests for reasonable accommodation and disseminate information. Designate an ADA Coordinator to coordinate and carry out the City's compliance with the non-discrimination requirements of Title IIA of the Americans with Disabilities Act (ADA). Direct questions, concerns, complaints, and requests regarding accessibility for people with disabilities to the City's ADA Coordinator. Provide information to the public regarding reasonable accommodations related to zoning, permit processing and building codes on the City's website and in City handouts.</p>	Addressed in new reasonable accommodation policy.	
	<p>Modify Zoning Ordinance to encourage affordable housing: The City will implement the following Zoning Ordinance changes by April 2007 in order to support the development of affordable housing in the City, and especially for lower income housing that will meet the RHNA:</p> <p>a. Reduce the minimum parcel size for lots containing second units within the residential districts, and adjacent to the City's downtown.</p>	Program modified to require annual monitoring and a rezone to assure performance standard of one unit per 5,000 square feet of commercial space if 50% of mixed use land in an area is developed for commercial with the 2005 as the benchmark.	Program H.Y

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	<p>b. Create a new residential zoning district that includes a minimum new parcel size of 5,000 square feet and permits zero lot line development on 4,000 square foot lots.</p> <p>c. Create a new Mixed-Use Zoning District that sets development standards for residential development with a minimum of one dwelling unit per 5,000 square feet of commercial space.</p> <p>d. Consider in-lieu fees or reduced parking requirements for high-density development projects and residential dwellings in the Downtown Commercial/Mixed-Use District.</p> <p>e. Rezone properties to comply with the 2005 General Plan.</p> <p>The City anticipates the development of 50 new second dwelling units in 2008 and 2009. An additional 30 to 40 dwelling units would be expected to be developed in the City's Downtown Commercial/Mixed-Use Designation.</p> <p>Modify the zoning ordinance to give priority to encourage lot consolidation for affordable housing: The City will develop criteria and mechanisms to</p>		
		<p>The City shall adopt procedures to provide further opportunities for lot consolidation.</p>	<p>Program H.E</p>

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	encourage lot consolidation that increases development flexibility and to help achieve the City's affordable housing goals.			
	Increase allocations for affordable housing: The City will increase the number of allocations reserved for affordable, senior, and special needs housing from 40 to 60.	Accomplished in the Growth Management Allocation Program.	Allocation remains at 40 units.	
	Implement the growth management ordinance to give priority to affordable housing: The City will develop rating criteria for the Growth Management Ordinance by September 2007 to give priority to projects that include affordable housing. The weighting for affordable housing should increase based on the percentage of the project that will be affordable and for varying degrees of affordability.	Growth Management rating scale adopted in winter of 2008. Weighting for the RDA project area, higher percentage for specified multifamily and mixed use.	City will continue to implement Growth Management rating scale.	
	Develop an amnesty program for second units: The City will develop an amnesty program by June 2007 to legalize existing unauthorized dwelling units within the City residential zoning districts that have been in existence for 10 or more years. This program will allow some exceptions to the City zoning and building standards but will require	Completed. Remove program.	-	

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	units to comply with health and safety standards. The City anticipates 50-100 dwelling units to be retained and upgraded between 2007 and 2009.		
	Inventory vacant buildings in Downtown: The City / Redevelopment Agency will inventory vacant buildings in the downtown and develop a program to provide financial assistance for the provision of affordable dwelling units within the Downtown Commercial / Mixed-Use Designation.	Completed. Remove Program.	-
	Establish zoning for emergency shelters and transitional housing facilities: Identify zoning districts where emergency shelters and transitional housing could be allowed subject to the requirement for a Use Permit. Establish standards for locating shelters and include recommended Zoning Ordinance amendments to implement recommendations. Adoption hearings will be conducted.	Base standards adopted in new Title 17. Amendment to add clarifying language to ensure compliance with SB2 requirements.	Program H.D

1.5.a. APPROPRIATENESS OF GOALS, OBJECTIVES AND POLICIES

The City of Hollister has made progress in effectively carrying out programs and policies of the last Housing Element, including addressing the provision of housing for all income segments of the population. A significant portion of this success is measured by the City's adoption of a revised Zoning Ordinance and Zoning Map. The City has also adopted a Growth Management rating scale. Some of the goals were not met due to market forces and the City's restricted ability to approve units due to a sewer treatment moratorium. The appropriateness of the goals has not been diminished however.

The City is addressing these issues and is in the process of reviewing and reassessing the City's housing needs, preparing development standards, and implementing programs utilizing CDBG and Redevelopment Agency funds that target the homeless population and other special needs segments of the population.

The City of Hollister has identified goals and implementation programs to provide for affordable housing programs in order to create more opportunities for multifamily dwellings and to address fair housing needs. Many issues identified in the previous Housing Element have been addressed, so the City will be positioned to manage future growth. However, several areas of concern have been identified and will be addressed in the "Policy and Programs" section, as well as discussed throughout this document.

TABLE 2
HOUSING CONSTRUCTION IN HOLLISTER

Year Structure Built	Number	Percentage	Cumulative Total
1939 or prior	744	7.0	744
1940-1959	979	9.2	1,723
1960-1969	925	8.7	2,648
1970-1979	1,566	14.8	4,214
1980-1989	2,001	18.9	6,215
1990-1999	3,739	35.3	9,954
2000-2008	648	6.1	10,602

Source: 2000 Census, SOCDS database

TABLE 3
HOUSING DEMOLITIONS, 2002-2009

Year	Total Units
2002	0
2003	*2
2004	0
2005	0
2006	0
2007	0
2008	**4
Total	6
Source: Hollister Planning and Building, * is replacement due to demo or moving the residence; ** is code enforcement (1), disrepair (2), and one old farm house on industrial land	

1.6 COMMUNITY PROFILE

There are two cities in San Benito County, Hollister and San Juan Bautista. The City of Hollister is the County Seat and population center in San Benito County, with 64.1 percent of the county population. San Benito County is situated in the Central Coast region of California, about 100 miles southeast of San Francisco, 40 miles east of Monterey and 300 miles north of Los Angeles. While agriculture continues to be the predominant economic activity in the county, development pressure is changing the rural character of the area, leading to a decreasing amount of land devoted to agricultural activities and more land being subject to urban development. The community's attitude continues to change toward development. Hollister continues to operate under a growth control cap, adopted in 2002 as a ballot measure, to manage and more actively direct growth in the City.

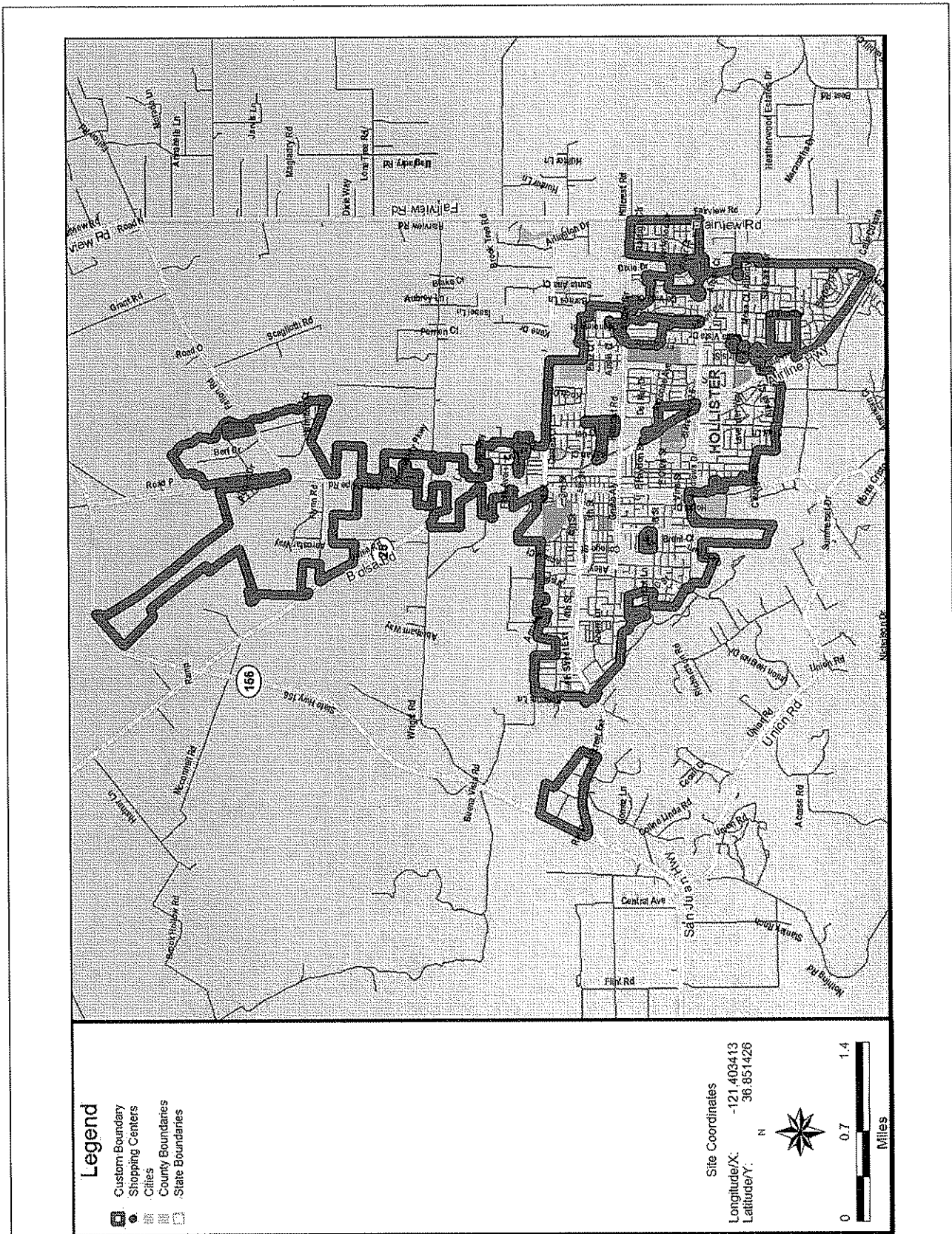
Hollister is a general law City that operates under the Council/Manager form of government. City departments include: Finance, Development Services, Airport, Animal Control, Traffic, Engineering, Community Services, Fire Department, Police Department, Recreation Department, and Human Resources. According to the California Department of Finance, the City has an estimated population of 37,051, as of 2008.

Portions of Hollister are located within the boundary of the City of Hollister Redevelopment Agency. Most of the existing and developable residential lands are within the boundaries of the Redevelopment Project Area (see Exhibit 3).

CITY OF HOLLISTER 2005 GENERAL PLAN

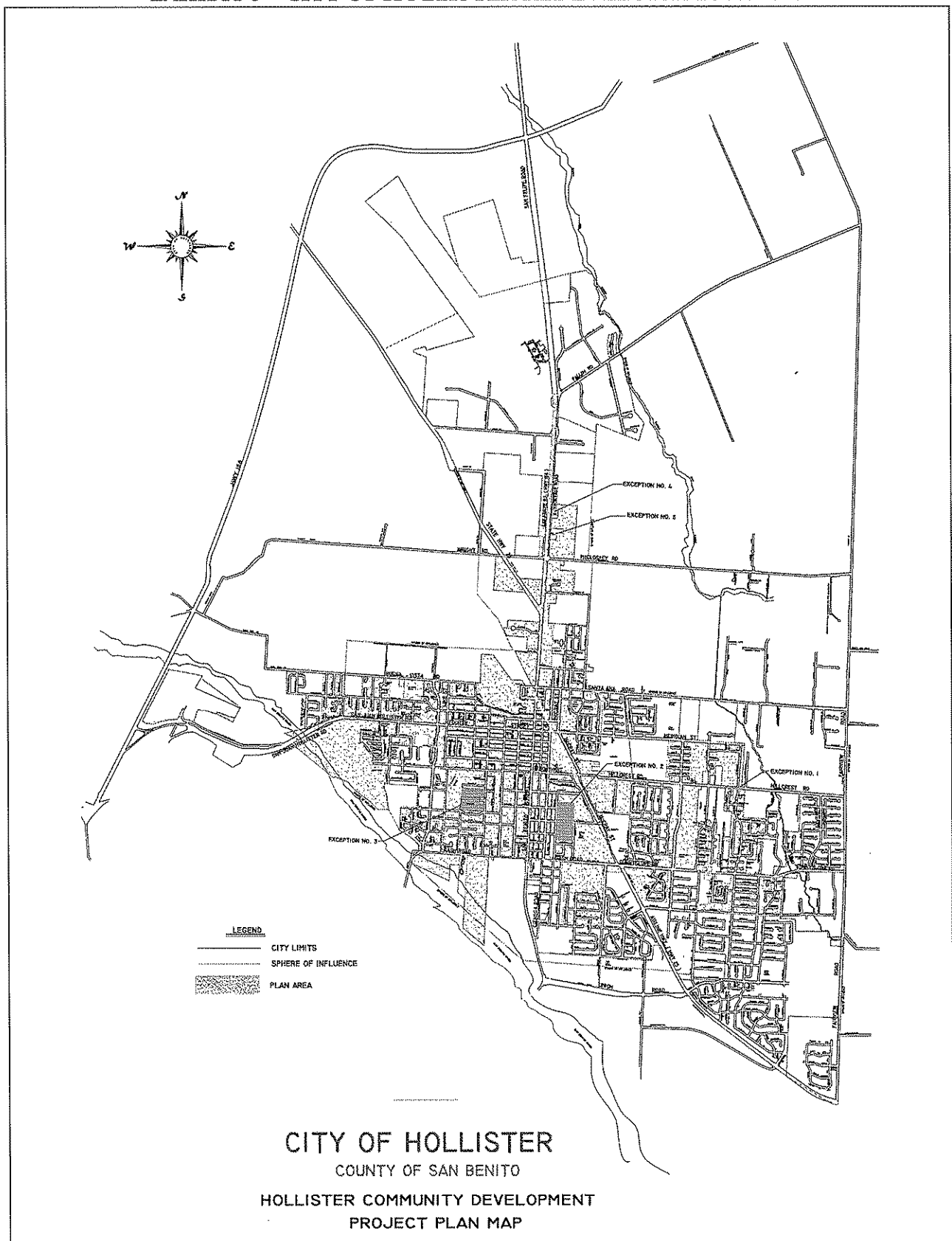


EXHIBIT 2 - CITY OF HOLLISTER



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EXHIBIT 3 - CITY OF HOLLISTER REDEVELOPMENT AREA



SECTION 2.0

EXISTING CONDITIONS AND DEMOGRAPHIC DATA

The purpose of this chapter is to summarize and analyze the existing housing conditions in the City of Hollister. It consists of two major sections: Section 2.1 - Summary of Existing Conditions - an analysis of population trends, employment trends, household trends and special needs groups, and Section 2.2 - Inventory of Resources - an analysis of existing housing characteristics, housing conditions, vacancy trends, housing costs and availability, "at-risk housing" and suitable lands for future development.

2.1 SUMMARY OF EXISTING CONDITIONS

In order to assess the present and future housing needs of the City of Hollister, it is important to analyze demographic variables, such as population, employment, and households. This section utilizes sources, such as the 1980, 1990, and 2000 U.S. Census, State Department of Finance (Demographic Research Unit), the Association of Monterey Bay Area Governments (AMBAG) and AnySite, a demographic data provider. See Appendix B for a complete list of data sources.

Between 1990 and 2000 Hollister's population increased by nearly 80.0 percent, from 19,212 residents in 1990 to 34,314 in 2000, at an annualized growth rate of 6.0 percent. During that same time period, the number of housing units increased by nearly 60 percent. Much of the increase in the population can be attributed to an influx of people moving from surrounding counties, particularly Santa Clara County, where housing prices and median income are significantly higher.

Hollister experienced a housing boom in the 1990s that resulted in a significant amount of new single family development. About 80.0 percent of all the homes in Hollister are single family houses.

2.1.a. POPULATION TRENDS

The City of Hollister is part of the Association of Monterey Bay Area Governments (AMBAG) for Regional Planning issues, including population and employment forecasts. AMBAG is comprised of 17 cities and the unincorporated areas of four Counties. As shown in Table 5, between 1990 and 2008, San Benito County's population increased by 57.5 percent or 21,087 persons. In 2008, the County had an estimated population of 57,784, which represents an increase of 4,550 persons since 2000. Five counties surround San Benito County: Santa Clara, Fresno, Monterey, Santa Cruz, and Merced. Of these counties, San Benito County is the fifth most populated, but was the fastest growing county between 1990 and 2008. Only two incorporated cities are located in San Benito County, Hollister and San Juan Bautista

**TABLE 2.1-1
POPULATION TRENDS - SAN BENITO AND NEIGHBORING COUNTIES**

County	1990	2000	2008	Change (1990-2008)	
				Number	Percent
San Benito	36,697	53,234	57,784	21,087	57.5%
Santa Clara	1,497,577	1,682,585	1,837,075	339,498	22.7%
Fresno	667,490	799,407	931,098	263,608	39.5%
Monterey	355,660	401,762	428,549	72,889	20.5%
Santa Cruz	229,734	255,602	266,519	36,785	16.0%
Merced	178,403	210,554	255,250	78,847	43.1%
State of California	29,760,021	33,871,648	38,049,462	8,289,441	27.8%

Source: 1990 and 2000 Census; 2008 Department of Finance

The City of Hollister is first in population growth among cities in this four county region. Between 1990 and 2008, Hollister's population increased by 92.8 percent growth rate, as shown in Table 6. This increase can be attributed to the increasing demand for housing due to the shortage of housing in the Bay Area, the lack of affordable housing in the Bay Area and the willingness of commuters to move further from their place of employment, (see Table 12, Employment by Commuting Patterns).

**TABLE 2.1-2
POPULATION TRENDS - NEIGHBORING CITIES AND COMMUNITIES**

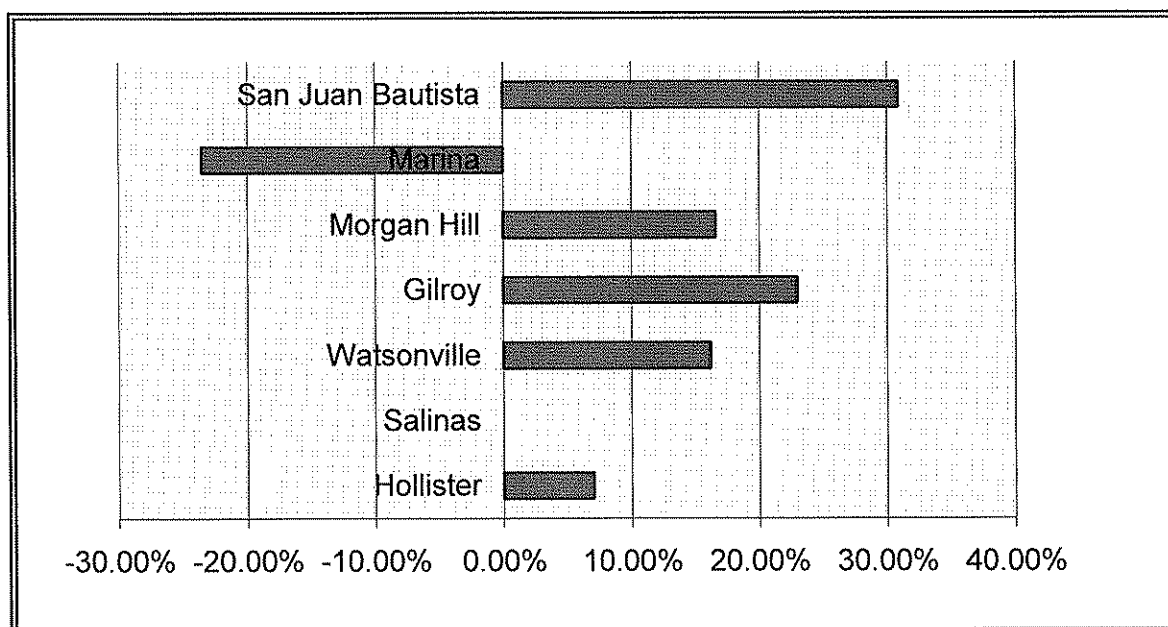
City	1990	2000	2008	Change (1990-2008)	
				Number	Percent
Hollister	19,212	34,614	37,051	17,839	92.8%
Salinas	108,777	150,724	150,898	42,121	38.7%
Watsonville	31,099	44,475	51,703	20,604	66.2%
Gilroy	31,487	41,587	51,173	19,686	62.5%
Morgan Hill	23,928	33,635	39,218	15,290	63.9%
Marina	26,436	25,052	19,171	-6,719	-25.4%
San Juan Bautista	1,571	1,431	1,874	303	19.3%
State of California	29,760,021	33,871,648	38,049,462	8,289,441	27.8%

Source: 1990 and 2000 Census; 2008 Department of Finance

3. HOUSING ELEMENT

Between 2000 and 2008 the City of Hollister experienced the fifth largest growth of the cities in the four county region (see Chart 1).

**CHART 2.1-1
ANNUAL GROWTH 2000-2008**



Source: 2000 Census; 2008 Department of Finance

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Over the past 28 years, the population in the City of Hollister increased by 219.6 percent. Currently, the City's population is estimated at 37,051, as shown in Table 7. Population projections indicate that Hollister will experience slight growth through 2013 and reach a projected population of 38,574 by that year.

**TABLE 2.1-3
POPULATION TRENDS - CITY OF HOLLISTER**

Year	Population	Change	% Change	Annual % Change
1980	11,592			
1990	19,212	7,620	65.7%	6.6%
2000	34,614	15,402	80.2%	8.0%
2008	37,051	2,437	7.0%	0.9%
2013	38,574	1,523	4.1%	0.8%

Source: 1980, 1990 and 2000 Census; 2008 Department of Finance

Between 2000 and 2008, the median age in Hollister increased from 28.2 to 29.0 years of age. The largest age group is comprised of persons between the ages 6-13, representing 14.0 percent of the population in 2008. Age groups of 45 and older showed the most significant increases, indicating a growing aging population.

**TABLE 2.1-4
POPULATION BY AGE TRENDS - CITY OF HOLLISTER**

Age Cohorts	2000		2008		Change	
	Number	Percent	Number	Percent	Number	Percent
0 - 5	4,084	11.8%	3,964	10.7%	-120	-2.9%
6 - 13	5,400	15.6%	5,187	14.0%	-213	-3.9%
14 - 17	2,388	6.9%	2,519	6.8%	131	5.5%
18 - 20	1,523	4.4%	1,815	4.9%	292	19.2%
21 - 24	1,765	5.1%	2,371	6.4%	606	34.3%
25 - 29	2,596	7.5%	2,631	7.1%	35	1.3%
30 - 34	2,977	8.6%	2,705	7.3%	-272	-9.1%
35 - 39	3,184	9.2%	2,779	7.5%	-405	-12.7%
40 - 44	2,769	8.0%	2,779	7.5%	10	0.4%
45 - 49	2,146	6.2%	2,631	7.1%	485	22.6%
50 - 54	1,627	4.7%	2,001	5.4%	374	22.9%
55 - 59	1,142	3.3%	1,519	4.1%	377	33.0%
60 - 64	762	2.2%	1,149	3.1%	387	50.8%
65 - 74	1,315	3.8%	1,704	4.6%	389	29.6%
75 - 84	692	2.1%	889	2.4%	197	28.5%
85+	242	0.7%	408	1.1%	166	68.6%
Total	34,614	100.0%	37,051	100.0%	2,437	7.0%
Median Age	28.2		29.0		0.8	

Source: 2000 US Census, 2007 AnySite

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According to the 2000 Census, persons who categorized themselves as White represented 38.2 percent of the Hollister population and 45.7 percent of the San Benito County population (See Table 9). In the City, 54.9 percent are of Hispanic origin.

**TABLE 2.1-5
POPULATION BY RACE AND ETHNICITY - 2000**

City of Hollister			San Benito County	
Number	Percent	Category	Number	Percent
13,233	38.2%	White	24,338	45.7%
433	1.2%	Black	502	0.9%
153	0.4%	Am. Indian	265	0.5%
816	2.4%	Asian/Pac. Isl.	1,101	2.1%
85	0.2%	Other	147	0.3%
902	2.7%	Two or more Races	1,301	2.4%
18,992	54.9%	Hispanic Origin	25,580	48.1%

Source: 2000 Census

2.1.b. EMPLOYMENT TRENDS

Historically, management/professional has been the largest industry type in the City of Hollister, as shown in Table 2.1-6. According to the 2007 AnySite, this industry comprises 28.9 percent of the labor force in 2008. The next largest industries in 2008 were sales/office and service occupations.

**TABLE 2.1-6
EMPLOYMENT BY INDUSTRY - CITY OF HOLLISTER**

Industry Type	2000		2008	
	Number	Percent	Number	Percent
Farming/Fishing/Forestry	557	3.7%	616	3.6%
Management/Professional/Related	4,317	28.7%	4,943	28.9%
Service Occupations	2,392	15.9%	2,736	16.0%
Sales/Office	3,776	25.1%	4,293	25.1%
Construction/Extraction/Maint.	1,850	12.3%	2,121	12.4%
Production/Transportation/Material Moving	2,151	14.3%	2,394	14.0%
Total	15,043	100.0%	17,103	100.0%

Source: 2007 AnySite

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The top employers in the Hollister include manufacturing, retail trade, government and medical. The top employers in San Benito County include agriculture, agricultural processing.

**TABLE 2.1-7
HOLLISTER AREA MAJOR EMPLOYERS**

Employer	Number of Employees
CITY OF HOLLISTER	
Albertsons	N/A
American Electrical Service	250-499
Cedar Valley Shingle Systems	142
Cimino's Cabinet Doors Inc.	100-249
City of Hollister	138
Corbin Inc.	100-249
Hazel Hawkins Memorial Hospital	250-499
Hollister School District	500
M C Electronics	100-249
Milgard Manufacturing Inc.	365
Nob Hill Foods Inc.	120
R & R Labor	500-999
Safeway	50-99
San Benito Foods	100-249
San Benito High School	250-499
Target	82
West Marine	100-249
SAN BENITO COUNTY	
El Modeno Gardens Inc.	100-249
Jesus Quintero Inc.	10-19
Pacific Scientific Energetic	250-499
Ridgemark Golf & Country Club	100-249
Tanimura & Antle	100-249

Source: City of Hollister

3. HOUSING ELEMENT

Over the last two decades there has been an influx of people moving from outside areas into Hollister. Much of the increase in population came from Santa Clara County, where housing prices and median income are significantly higher. As a result, a dramatic change in commuting patterns has occurred. In 2000, over half of all Hollister residents were commuting to areas outside of San Benito County for employment. Since 1990, the number of workers living in San Benito County, and commuting to Santa Clara County, has increased over 114 percent, according to the Metropolitan Transportation Commission.

According to the 1990 Census 65.2 percent of those living in the County of San Benito worked there as well, as shown in Table 12. This number decreased in 2000 to 50.3 percent. In addition, the proportion of persons commuting over 45 minutes to work increased by 14.2 percent.

**TABLE 2.1-8
EMPLOYMENT BY COMMUTING PATTERNS (1990-2000) -
COUNTY OF SAN BENITO**

Commuting Pattern*	1990		2000	
	Number	Percent	Number	Percent
Worked in San Benito County	10,772	65.2%	12,750	50.3%
Worked outside San Benito County	5,729	34.8%	12,600	49.7%
Commute Time to Work				
0-15 Minutes	6,440	40.3%	7,396	33.0%
15-30 Minutes	4,614	28.9%	4,595	20.5%
30-45 Minutes	2,208	13.8%	3,430	15.3%
Over 45 Minutes	2,720	17.0%	6,987	31.2%

Source: 1990, 2000 Census * numbers are mutually exclusive

2.1.c. HOUSEHOLD TRENDS

The change in the number of households in a city is one of the prime determinants of the demand for housing. Households can form even in periods of static population growth as adult children leave home, through divorce, and with the aging of the population.

The number of persons per household is an important indicator of the relationship between population growth and household formation. For example, if the number of persons per household is decreasing with steady population growth, then households are forming at a faster rate than population growth. Conversely, if population were growing faster than households, then the persons per household would increase.

3. HOUSING ELEMENT

Between 1990 and 2008, persons per household fluctuated for the City of Hollister and San Benito County. Specifically, the City of Hollister rose from 3.2 persons per household to 3.52 persons per household, in 2000 and has then rose to 3.6 in 2008.

The number of households in San Benito County increased by 39.1 percent between 1990 and 2000, which is less than the rate of population growth (45.1 percent) in the same time period. According to the 1990 Census, 11,419 households resided in the County. By 2000, an estimated 15,880 households lived in the County. San Benito County households are projected to continue increasing over the period between 2008-2013 by approximately 1.3 percent annually. Between 1990 and 2000, the City of Hollister increased by 3,228 households or 49.9 percent, a total of 9,694 households. The City is projected to increase over the next five years and reach 11,140 households by 2013. The projected increase of 556 households represents a 5.2 percent change since 2008.

**TABLE 2.1-9
HOUSEHOLD FORMATION TRENDS**

Year	Households	Change	% Change	Annual % Change
CITY OF HOLLISTER				
1980	3,238			
1990	6,466	3,228	99.7%	9.9%
2000	9,694	3,228	49.9%	5.0%
2008	10,584	890	9.2%	1.1%
2013	11,140	556	5.2%	1.0%
SAN BENITO COUNTY				
1980	8,922			
1990	11,419	2,497	27.9%	2.8%
2000	15,880	4,461	39.1%	3.9%
2008	17,789	1,909	12.0%	1.5%
2013	18,982	1,193	6.7%	1.3%

Source: 1980, 1990 and 2000 US Census; 2008 California Department of Finance

3. HOUSING ELEMENT

Household size is also an important factor in determining the size of housing units needed within a jurisdiction. In the City of Hollister, “large” households containing five or more persons represented 25.7 percent of all households in 2000, about 10.9 percent less than the “small” households with one or two persons. Households with one person represented the fastest growing household size between 2000 and 2008, increasing from 13.0 percent in 2000 to 18.7 percent in 2008. However, 54.0 percent of the households contained 3 or more persons, increasing to 56.1 percent in 2013.

**TABLE 2.1-10
HOUSEHOLD SIZE TRENDS**

Household Size	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
CITY OF HOLLISTER						
1 Person	1,260	13.0%	2,147	18.7%	2,167	17.2%
2 Person	2,259	23.3%	2,974	25.9%	3,364	26.7%
3-4 Person	3,684	38.0%	3,903	34.0%	4,271	33.9%
5+ Person	2,491	25.7%	2,457	21.4%	2,797	22.2%
SAN BENITO COUNTY						
1 Person	2,239	14.1%	3,917	20.7%	3,998	19.2%
2 Person	4,303	27.1%	5,317	28.1%	6,038	29.0%
3-4 Person	5,717	36.0%	6,074	32.1%	6,684	32.1%
5+ Person	3,621	22.8%	3,613	19.1%	4,102	19.7%

Source: 2000 Census, 2007 AnySite

Tenure, or the ratio between homeowner and renter households, can be affected by many factors, such as: housing cost (interest rates, economics, land supply, and development constraints), housing type, housing availability, job availability, and consumer preference.

3. HOUSING ELEMENT

During the period 1990 to 2000, the proportion of renter households decreased from 44.7 percent of the households to 33.6 percent in the City of Hollister. The percentage of renter households further decreased to 30.8 percent in 2008. This decrease in the percentage of renter households can be attributed to the growth of single-family homes built over the last 10 years (see Table 2.1-11).

In comparison, San Benito County has a slightly lower proportion of renter households. For example, in 2008, 30.8 percent of the Hollister households were renters, while 29.8 percent of the San Benito County households were renters, a difference of 1.0 percent.

**TABLE 2.1-11
TENURE BY HOUSEHOLDS**

City of Hollister			San Benito County	
Number	Percent		Number	Percent
1990				
3,576	55.3%	Owners	6,977	61.1%
2,890	44.7%	Renters	4,442	38.9%
2000				
6,437	66.4%	Owners	10,814	68.1%
3,257	33.6%	Renters	5,066	31.9%
2008				
7,945	69.2%	Owners	13,282	70.2%
3,536	30.8%	Renters	5,639	29.8%
2013				
8,895	70.6%	Owners	14,867	71.4%
3,704	29.4%	Renters	5,955	28.6%

Source: 1990 and 2000 US Census, 2007 AnySite, 2008 California Department of Finance

3. HOUSING ELEMENT

According to the 2000 Census, the County of San Benito median household income was higher than most of the surrounding counties, with the exception of Santa Clara County. . All counties showed an increase in the median income between 1990 and 2000. The median income in San Benito, Santa Clara Counties increased by more than \$20,000. This reflects the increased population of commuters from the Bay Area, which has a higher median income.

TABLE 2.1-12
MEDIAN HOUSEHOLD INCOME TRENDS - SURROUNDING COUNTIES -

Jurisdiction		
	1989	1999
San Benito	\$36,473	\$57,461
Fresno	\$26,377	\$34,725
Merced	\$25,548	\$35,352
Monterey	\$33,520	\$48,305
Santa Clara	\$48,115	\$74,335
Santa Cruz	\$37,112	\$53,998

Source: 2000 Census

3. HOUSING ELEMENT

As shown in Table 17, the block groups that saw a significant increase in housing units, 100 or more, had a higher median income. This trend reflects the influx of higher paid commuters from the Bay Area increasing the number of housing units built.

TABLE 2.1-13
MEDIAN INCOME BY CENSUS TRACT AND BLOCK GROUP – CITY OF HOLLISTER

Census Tract, Block Number	Housing Units Built 1980-1990	Housing Units Built 1990-1999	Median Income
CITY OF HOLLISTER			\$56,104
Tract 3, Block 1 ¹	34	139	\$56,591
Tract 3, Block 2 ²	6	3	\$38,750
Tract 3, Block 3	177	77	\$44,730
Tract 4, Block 1	10	23	\$42,000
Tract 4, Block 2	19	11	\$38,750
Tract 4, Block 3	13	19	\$39,063
Tract 4, Block 4	71	72	\$51,200
Tract 5, Block 1	19	153 ³	\$35,626
Tract 5, Block 2 ⁴	381	634	\$60,022
Tract 5, Block 3 ⁵	418	968	\$77,371
Tract 6, Block 1	171	97	\$60,000
Tract 6, Block 2 ⁶	63	73	\$47,071
Tract 6, Block 3 ⁷	283	624	\$77,952
Tract 7, Block 1 *	230	579	\$54,300
Tract 7, Block 2 *	162	293	\$49,038
*Census Block is located in the City of Hollister and rural areas of unincorporated San Benito County.			

¹ Block includes unincorporated farmland with some rural housing

² Block includes unincorporated land with orchards, row crops and some rural housing

³ Affordable housing project constructed in the block group

⁴ Block includes some unincorporated homes. Most residences were constructed in the 1950s, 1960s, and 1970s

⁵ Block includes some unincorporated homes. Most residences were constructed in the 1950s, 1960s, and 1970s

⁶ Block includes some unincorporated homes. Most residences were constructed in the 1950s, 1960s, and 1970s

⁷ Block includes some unincorporated homes. Most residences were constructed in the 1960s, and 1970s

3. HOUSING ELEMENT

Generally, the proportion of households in the City of Hollister with incomes less than \$25,000 has decreased significantly since 2000, while the proportion of households with incomes greater than \$35,000 have been increasing. For example, households with incomes less than \$25,000 decreased from 17.8 percent in 2000 to a current estimate of 12.9 percent in 2008. Conversely, households with incomes between \$35,000 and \$99,999 increased from 54.4 percent to 63.5 percent over that same time period.

**TABLE 2.1-14
HOUSEHOLDS BY INCOME - CITY OF HOLLISTER**

Income Ranges	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$10,000	523	5.4%	425	3.7%	403	3.2%
\$10,000-\$14,999	281	2.9%	264	2.3%	239	1.9%
\$15,000-\$24,999	921	9.5%	792	6.9%	731	5.8%
\$25,000-\$34,999	1,008	10.4%	792	6.9%	642	5.1%
\$35,000-\$49,999	1,454	15.0%	1,412	12.3%	1,134	9.0%
\$50,000-\$74,999	2,230	23.0%	3,582	31.2%	3,276	26.0%
\$75,000-\$99,999	1,590	16.4%	2,297	20.0%	3,490	27.7%
\$100,000+	1,687	17.4%	1,917	16.7%	2,684	21.3%
Total	9,694	100.0%	11,481	100.0%	12,599	100.0%

Source: 2000 Census, 2007 AnySite, 2008 California Department of Finance

The Department of Housing and Community Development (HCD) estimates area median incomes (AMI) for all counties in the State annually. In turn, this AMI is utilized in many housing programs, such as CDBG, HOME and LIHTC. Of particular note, the 2008 San Benito County AMI was \$78,000.

In addition to estimated annual income, U.S. Department of Housing and Urban Development HUD has established standard income groups. They are defined as: (1) Extremely Low, which are households earning less than 30 percent of AMI; (2) Very Low Income, which are households earning between 30 and 50 percent of the AMI; (3) Low Income, for households earning between 50 percent and 80 percent of the AMI; (4) Moderate Income, for households earning between 80 percent and 120 percent of the AMI, and (5) Above Moderate Income are households earning over 120 percent of the AMI. Generally, these categories are used to determine household eligibility for federal, and local programs.

Based on the 2008 San Benito County AMI and household income tables, the proportion of households in the Extremely Low, Very Low and Low Income groups is less than those in the Moderate and Above Moderate categories. For example, approximately 44.8 percent of Hollister households make less than 80 percent of the State designated San Benito County Area Median Income, which translates to 5,143 households. In comparison, 55.2 percent of households are in the Moderate and Above Moderate categories.

TABLE 2.1-15
HOUSEHOLDS BY 2008 INCOME CATEGORIES - CITY OF HOLLISTER
2008 Area Median Income (4-Person Household): \$78,000

Income Category	Income Range	Number	Percent
Extremely Low	Less than \$23,400	1,320	11.5%
Very Low	\$23,401 - \$39,000	1,297	11.3%
Low	\$39,001 - \$62,400	2,526	22.0%
Moderate	\$62,401 - \$93,600	3,835	33.4%
Above Moderate	Greater than \$93,601	2,503	21.8%

Source: 2008 HCD State Income Limits, Estimated number of 2008 households by income applied to State Income Limits

2.1.d. OVERPAYMENT

Overpayment is an important measure of the affordability of housing within a city. Overpayment for housing is based on the total cost of shelter compared to a household's ability to pay. Specifically, overpayment is defined as a household paying more than 30 percent of their gross household income for shelter. According to the US Census, shelter cost is the monthly owner costs (mortgages, deeds of trust, contracts to purchase or similar debts on the property, taxes, and insurance) or the gross rent (contract rent plus the estimated average monthly cost of utilities).

In 2000, a total of 3,490, or 37.9 percent, of all households in the City of Hollister pay in excess of 30 percent of their income for shelter (See Table 19). Of these 874 families pay 30 to 34 percent of their household income for rent. Households paying in excess of 35 percent of their income for housing comprise 1,592 of total owner-occupied units and are primarily concentrated in the moderate to above moderate income ranges. The majority of renter households paying in excess of 35.0 percent of their income had incomes below \$35,000.

The percentage of owners versus renters overpaying was disproportionate, representing 36.0 percent owner and 41.0 percent renter households. The overpayment situation is particularly critical for renters with annual incomes less than \$20,000.

**TABLE 2.1-16
CITY OF HOLLISTER HOUSEHOLDS OVERPAYING,
BY INCOME AND TENURE (2000)**

OWNER-OCCUPIED UNITS						
Income Range	Total Households	% of Total Households	0-20% of HH Income	20-29% of HH Income	30-34% of HH Income	35+% of HH Income
\$0-10,000	189	3.2%	10	0	14	134
\$10,000-19,999	189	3.2%	41	16	7	125
\$20,000-34,999	611	10.3%	160	77	16	358
\$35,000-49,999	701	11.8%	209	117	64	311
\$50,000 +	4,256	71.5%	1,611	1,507	466	664
Subtotal	5,946	100.0%	2,031	1,717	567	1,592
RENTER-OCCUPIED UNITS						
Income Range	Total Households	% of Total Households	0-20% of HH Income	20-29% of HH Income	30-34% of HH Income	35+% of HH Income
\$0-10,000	316	9.7%	7	6	24	219
\$10,000-19,999	456	13.9%	42	51	40	329
\$20,000-34,999	871	26.7%	64	283	98	426
\$35,000-49,999	619	19.0%	236	218	114	33
\$50,000 +	1,001	30.7%	776	170	31	17
Subtotal	3,263	100.0%	1,125	728	307	1,024
TOTAL	9,209		3,156	2,445	874	2,616
Source: U.S. Census, 2000 Population and Housing, Summary Tape File 3A- H73 and H97; Household Income in 1999 for specified renter-occupied housing units by gross rent as a percentage of household income, and Household Income in 1999 for specified owner-occupied units by selected monthly owner costs as a percentage of household income.						
Note: <i>Some households are not accounted for; therefore, figures may slightly differ for other U.S. Census estimates for Total Households.</i>						

Of all owner occupied households with incomes below 80.0 percent MFI within the City, 285 (16.4 percent) are considered to be in the extremely-low income category and for 60.4 percent of those households, the cost of housing is greater than half of the net household income. Similarly, of all renter occupied households within the City, 586 (27.6 percent) are considered to be in the extremely-low income category and for 57.7 percent of those households; the cost of housing is greater than half of the net household income. As indicated in Table 2.1-17 as household income increases, the cost burden also decreases, indicating that the City does not have sufficient low income housing to support residents in the very low and extremely low income ranges.

**TABLE 2.1-17
HOUSING ISSUES FOR ALL HOUSEHOLDS
CHAS DATA BOOK**

	Total Renters	Total Owners	Total Households
Household Income <=30% MFI	586	285	871
% with any housing problems	81.4%	81.1%	81.3%
% Cost Burden >30%	81.4%	79.6%	80.8%
% Cost Burden >50%	57.7%	66.0%	60.4%
Household Income >30% to <=50% MFI	746	437	1,183
% with any housing problems	82.6%	70.7%	78.2%
% Cost Burden >30%	66.6%	57.0%	63.1%
Household Income >50% to <=80% MFI	794	1,016	1,810
% with any housing problems	52.1%	71.0%	62.7%
% Cost Burden >30%	23.9%	55.3%	41.5%

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data.

2.1.e. HOUSING UNITS

In 2000, Hollister had a total of 9,954 housing units. Of these units, 6,466 were owner occupied and 3,275 were renter occupied. A total of 79.6 percent of total households resided in single-family dwellings in 2000.

**TABLE 2.1-18
OWNER/RENTER RATIOS BY HOUSING TYPE- 2000**

Units in Structure	Owner Occupied	Percent Owner	Renter Occupied	Percent Renter	Vacant Units	Total Units
1, Detached	5,945	91.9%	1,295	39.5%	150	7,390
1, Attached	229	3.5%	303	9.2%	0	532
2	26	0.4%	225	6.9%	9	260
3 or 4	5	0.1%	696	21.2%	21	722
5 to 9	15	0.3%	248	7.6%	2	265
10 to 19	5	0.1%	144	4.4%	0	149
20 to 49	0	0.0%	250	7.6%	10	260
50 or more	0	0.0%	69	2.1%	0	69
Mobile home	241	3.7%	45	1.5%	21	307
Total	6,466	100.0%	3,275	100.0%	213	9,954

Source: 2000 Census, Hollister Building Permit records

2.1.f. SPECIAL NEEDS

As noted in Government Code Section 65583 (a)(6), within the overall housing needs assessments there are segments of the population that require special consideration. These are generally people who are low income and have less access to housing choices. These special housing needs groups include the elderly, disabled, female/single parent households, large families, farmworkers, and homeless. Housing opportunities for each of these segments of the population is important; various special needs housing types include multi-family rental housing, housing for agricultural workers, emergency (homeless) shelters, transitional housing, supportive housing, single-room occupancy (SRO's), and mobile homes/factory built housing. A discussion of the availability of each type of special needs housing is included below.

2.1.f (1) Elderly

Many elderly households live in housing that costs too much or live in housing that does not accommodate specific needs for assistance. Due to various circumstances, an elderly household may have difficulties staying in their home community or near family. The purpose of this section is to determine the housing needs for all characteristics of the elderly community, defined as persons over the age of 65 years.

As the population of seniors in the City increases, so do their collective needs. Traditionally, the senior population has only represented a small proportion of the overall population of the City. Table 2.1-19 below indicates that in 1990, there were 1,930 seniors in Hollister, which represented 9.0 percent of the total population in the City. Between 1990 and 2000, the senior population increased by 17.5 percent annually. By 2008, the senior population had increased by 30.1 percent to 2,950. By 2013, the senior population is estimated to reach 3,377 persons, which equates to 9.0 percent of the total population.

TABLE 2.1-19
SENIOR POPULATION TRENDS (65+)

Year	Number	Change	% Change	Annual % Change
1990	1,930			
2000	2,268	338	17.5%	1.7%
2008	2,950	682	30.1%	3.8%
2013	3,377	427	14.5%	2.9%

Source: 1990, and 2000 Census, 2007 AnySite

Senior households comprise a moderate proportion of the total households within the City of Hollister (see Table 2.1-20). In the 2000 Census there were an estimated 1,338 senior households in the City, constituting 13.8 percent of the total City households. Comparatively, 15.5 percent of the City's households were seniors in 1990. Currently, there are an estimated 1,507 senior households estimated in the City of Hollister, with the number of seniors projected to increase to 1,908 by 2013. Many seniors have special housing needs, such as the need for smaller and more efficient housing. Typical housing to meet the needs of seniors includes smaller homes and second units for independent living as well as assisted living facilities and nursing homes. As more and more baby boomers enter their senior years, the need for senior housing will continue to increase in Hollister.

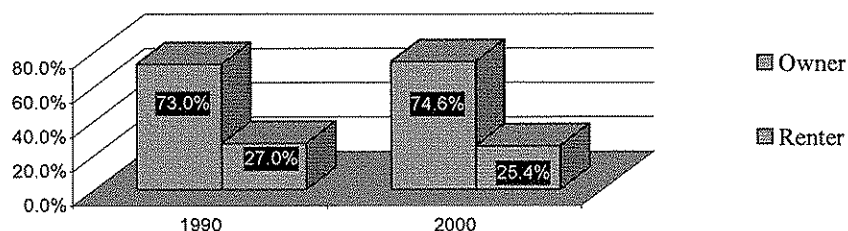
**TABLE 2.1-20
SENIOR HOUSEHOLD TRENDS (65+)**

Year	Number	Change	% Change	Annual % Change
1990	1,005			
2000	1,338	333	33.1%	3.3%
2008	1,507	169	12.6%	1.6%
2013	1,908	401	26.6%	5.3%

Source: 1990, and 2000 Census, 2007 AnySite

In 1990, 27.0 percent of the senior households in Hollister were renters. Change in the proportion of senior renters is dependent on the quantity of housing options and the propensity to convert from ownership. In 2000, the proportion of the City's senior renters actually decreased by 1.6 percent to 25.4 percent. This demonstrates a slight increase in homeownership rates among seniors.

**CHART 2.1-2
SENIOR HOUSEHOLDS BY TENURE (1990-2000)**



Source: 1990 Census, 2000 Census

Table 2.1-21 below indicates that in 2000, 31.7 percent of all senior citizen households had incomes below \$20,000. By 2008, this percent has increased to 33.2 percent.

TABLE 2.1-21
SENIOR HOUSEHOLDS BY INCOME - CITY OF HOLLISTER

Income Ranges	2000		2008		2013	
	Number	Percent	Number	Percent	Number	Percent
Less Than \$10,000	183	13.7%	211	14.0%	246	12.9%
\$10,000-\$19,999	241	18.0%	289	19.2%	332	17.4%
\$20,000-\$29,999	195	14.6%	255	16.9%	309	16.2%
\$30,000-\$39,999	144	10.8%	206	13.7%	244	12.8%
\$40,000-\$49,999	144	10.8%	148	9.8%	196	10.3%
\$50,000-\$59,999	112	8.4%	87	5.8%	118	6.2%
\$60,000-\$74,999	104	7.8%	143	9.5%	200	10.5%
\$75,000-\$99,999	60	4.4%	89	5.9%	146	7.7%
\$100,000+	155	11.5%	79	5.3%	117	6.2%
Total	1,338	100.0%	1,507	100.0%	1,908	100.0%

Source: 2000 Census, 2007 AnySite

Eligibility for federal programs is based on the median income of the county or statistical area in which the project or program is located. In this case, eligibility is based on the 2008 area median income for San Benito County of \$62,400 for a two-person household (see Table 25). Using that as the basis, 11.2 percent of senior households in the City of Hollister are considered above moderate income, 15.3 moderate income, and 73.5 percent are in the extremely low, very low and low income groups.

TABLE 2.1-22
SENIOR HOUSEHOLDS BY INCOME CATEGORY-2008
2008 Area Median Income (2-Person Household): \$62,400

Income Category	Income	Proportion of Senior Households in Hollister
Extremely Low	Less than \$18,720	30.7%
Very Low	\$18,721 - \$31,200	21.0%
Low	\$31,201 - \$49,920	21.8%
Moderate	\$49,921 - \$74,880	15.3%
Above Moderate	Greater than \$74,881	11.2%

Source: 2008 HCD State Income Limits, Estimated number of 2008 households by income applied to State Income Limits

In Hollister, 46.1 percent of senior households, or 144 households, are paying more than 35 percent of their income toward shelter (see Table 26). These senior households are cost burdened and would benefit from publicly assisted housing or other types of public assistance.

TABLE 2.1-23
SENIOR HOUSEHOLDS BY SHELTER PAYMENT (2000)

Percent of Income for Shelter	Number	Percent
Less Than 20%	85	27.2%
20 to 24%	44	14.1%
25 to 29%	0	0.0%
30 to 34%	39	12.5%
Greater Than 35%	144	46.1%
TOTAL	312	100.0%

Source: 2000 Census

As indicated by Table 27, according to the 2000 Census, 71.2 percent of the senior population has a disability, the majority of these having a physical disability. Only 7.0 percent of seniors had a self-care disability.

**TABLE 2.1-24
SENIORS BY LIMITATION TYPE (2000)**

Senior Limitation Type	Number	Percent of Total Senior Population
Sensory	266	11.7%
Physical	560	24.7%
Mental	239	10.5%
Self Care	160	7.0%
Going Outside the Home	389	17.1%
Total Seniors with Disabilities	1,614	71.2%

Source: 2000 Census Note: numbers are mutually exclusive

Several types of services and facilities are available for senior citizens within the City, including:

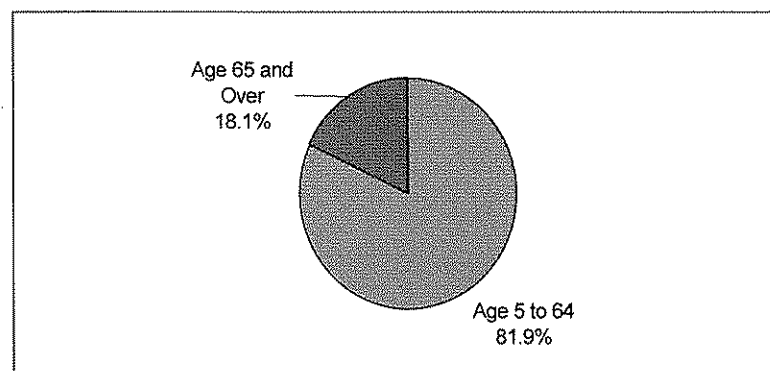
- Senior Housing: Currently, there is one Senior Complex, Prospect Villa Apartments, within the City. This complex is an 86 unit low-income project.
- Activities: Jovenes De Antano is a non-profit located at the Hollister Community Center. They operate a senior weekday lunch program, meals on wheels and an Alzheimer day care at the center. The City of Hollister allows use of the facility in kind for Jovenes De Antano. They also rely on grants (\$101,573 Federal and \$349,361 State), volunteers and donations for operations in FY 08/09. They serve about 1,500 people per year with meals on wheels and congregate meals. Additionally, they serve about 65 people for lunches and 90 meals per day on weekdays.
- Transportation: The County of San Benito operates a fixed route and dial-a-ride bus system; both systems offer significant fare reductions for seniors and disabled residents.

2.1.f (2) Disabled Persons

Three types of disabled persons are considered as having special housing needs: Physically, Mentally, and Developmentally Disabled. Each type is unique and requires specific attention in terms of access to housing, employment, social services, medical services and accessibility within housing.

In 2000, a total of 8,936 persons in the City had some type of disability. Of these, 81.9 percent or 7,322 persons were between the ages of five (5) and 64 and the remaining 1,614 were 65 years of age or older.

**CHART 2.1-3
DISABLED PERSONS BY AGE (2000)**



According to the 2000 Census (see Table 2.1-25), 57.1 percent of persons 16 to 64 years of age with a disability were employed. This is below the overall employment rate of 92.6 percent. With no means to support daily living, those disabled persons who are not employed may be in need of housing assistance.

**TABLE 2.1-25
DISABLED PERSONS BY EMPLOYMENT STATUS (2000)**

Work Disability Status	16-64 years	
	Number	Percent
Not Employed	1,780	42.9%
Employed	2,368	57.1%
TOTAL	4,148	100.0%

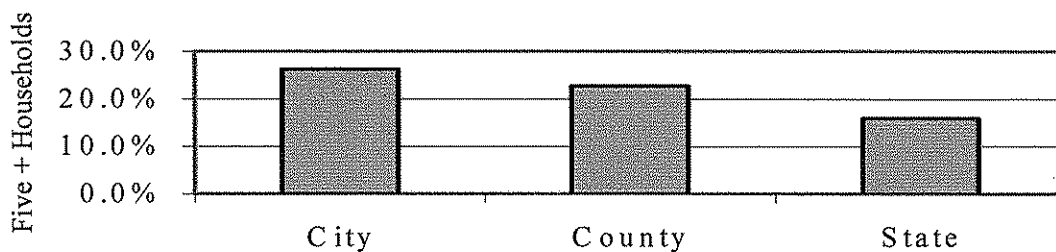
Source: 2000 Census

2.1.f (3) Large Families

For the purposes of this section, a large family is defined as a household consisting of five or more persons. In some cases, the needs of larger families are not targeted in the housing market, especially in the multifamily market. This sub-section explores the availability of larger housing units in Hollister.

In the 2000 Census, 26.3 percent or 2,565 of the households in the City of Hollister consisted of five or more persons. At the same time, the County had 22.7 percent and the State had 16.0 percent.

**CHART 2.1-5
LARGE FAMILY COMPARISON (2000)**



Source: 2000 Census

According to the 2000 Census, a majority of the City's housing stock is comprised of two, and three bedroom units, which is considered more marketable in the housing market. For example, 65.1 percent of the renter housing units and 62.8 percent of the owner housing units were either two or three bedroom units (see Table 2.1-26).

**TABLE 2.1-26
HOUSEHOLDS BY TENURE BY BEDROOM TYPE (2000)**

Bedroom Type	Owner Households		Renter Households	
	Number	Percent	Number	Percent
0 BR	153	2.4%	196	5.9%
1 BR	288	4.4%	804	24.5%
2 BR	835	12.9%	1,283	39.2%
3 BR	3,231	49.9%	848	25.9%
4 BR	1,627	25.2%	137	4.2%
5+ BR	332	5.2%	7	0.3%
TOTAL	6,466	100.0%	3,275	100.0%

Source: 2000 Census

3. HOUSING ELEMENT

Large households often have lower incomes, which frequently results in overcrowding in smaller dwelling units and in the acceleration of unit deterioration. According to the 2000 Census, there were 2,565 large households in the City and 6,182 housing units of three or more bedrooms. This would indicate a more than adequate number of larger housing units

TABLE 2.1-27
HOUSEHOLD SIZE DISTRIBUTION

Household Size	1990			2000		
	Owner	Renter	Percent	Owner	Renter	Percent
1 Person	443	563	17.1%	696	567	12.9%
2 Persons	1,017	507	25.8%	1,561	671	22.9%
3 Persons	523	488	17.1%	1,091	571	17.1%
4 Persons	599	507	18.8%	1,406	612	20.7%
5 Persons	376	344	12.2%	873	415	13.2%
6 Persons	158	108	4.5%	478	258	7.6%
7 + Persons	145	118	4.5%	361	180	5.6%
Total	3,261	2,635	100.0%	6,466	3,275	100.0%

Source: 1990 and 2000 Census

2.1.f (4) Farmworkers

Generally, farmworker population contains two segments of farmworkers: permanent and migratory (seasonal); Hollister is no different. Varying employment estimation techniques result in diverse estimates of local agricultural employment. Nonetheless, a range of estimates of farmworkers in the State can be derived. By applying assumptions derived from surveys specifically targeted to farmworkers, an aggregate population (both workers and households) can be estimated. These estimates indicate that average annual employment of farmworkers in California is about 350,000, with peak period employment of about 450,000 within the State. This employment demand is filled by between 650,000 and 850,000 farmworkers within the State. Total population (including family members) associated with these workers is between 900,000 and 1.35 million persons.

According to the 2007 Census of Agriculture, San Benito County contains a total of 625 farms on 579,851 acres, which is an increase in acreage over the 677 farms and 578,351 acres from the 2002 Census. Approximately, 56.9 percent of the farms are between one and forty-nine acres in size and 43.1 percent are more than 50 acres. About 36.5 percent of the farms (228 farms) hired farm labor for a total of 2,945 workers, however, 66.2 percent of the farm laborers worked less than 150 days.

There is limited agriculture within the City, however a significant number of farmworkers still live in Hollister that work in San Benito County. Farmworkers earn some of the lowest wages relative to other workers and

3. HOUSING ELEMENT

typically live below the poverty line. Many farmworkers live in overcrowded housing conditions in Hollister, and some live in substandard and illegal units. While some farmworkers are migrant workers in need of temporary housing, many are permanent residents; therefore, a need exists for more transitory housing as well as low-cost housing for year-round workers. Farmworker housing is permitted in the Residential Estate zoning district. Currently, farmworker housing requirements are not specifically addressed or identified in the Zoning Ordinance, Title 17. In order that the City comply with the requirements of Health and Safety Code Section 17021.6, a program has been included (see Program H.O) in this Housing Element to amend the Zoning Ordinance to permit farmworker housing as a permitted use not subject to any conditional approval, and to be considered in the same manner as other agricultural uses in the same zone.

According to AnySite, 616 persons were employed in the farming, fishing and forestry occupations in the City of Hollister in 2008, which is an increase of 59 persons since the 2000 Census.

**TABLE 2.1-28
FARMWORKERS - CITY OF HOLLISTER**

	2000		2008	
	Number	Percent Total Employment	Number	Percent of Total Employment
Farming, Fishing and Forestry	557	3.7%	616	3.6%

Source: 2000 Census, 2007 AnySite

2.1.f (5) Single-parent Households

Single-parent households have special housing needs such as reasonable day care, health care, and affordable housing. The most significant portion of this group is the female-headed household. Female-headed households with children often have lower incomes, limiting their access to available housing. Many housing experts believe these households are especially at risk of housing cost burden or homelessness.

3. HOUSING ELEMENT

According to Table 32, the 2000 Census counted 5,292 family households with children 18 years old and under in the City of Hollister. Of these households, 844, or 15.9 percent, are headed by single females.

TABLE 2.1-29
HOUSEHOLD TYPE AND PRESENCE OF CHILDREN
18 YEARS OLD AND UNDER - CITY OF HOLLISTER - 2000

Household Type	Number*	Percent
Family Households	9,939	96.3%
With Children Under 18 Years Old	4,027	39.0%
With No Children	2,344	22.7%
Female Householder With Children*	844	8.2%
Female Householder With No Children*	343	3.3%
Male Householder With Children*	421	4.1%
Male Householder With No Children*	176	1.7%
Non-family Households	377	3.6%
TOTAL	10,316	

Source: 2000 Census * No spouse present

Note: Number of households is mutually exclusive.

Approximately 5.6 percent of the total family households in the City of Hollister were below the 2000 Census poverty level (see Table 33). Of these, 2.6 percent (257 households) were female-headed households. Approximately 20.3 percent of female-headed households that had children under 18 years old were below the 2000 Census poverty level.

TABLE 2.1-30
HOUSEHOLDS BY POVERTY LEVEL
CITY OF HOLLISTER - 2000

Family Households	Number	Percent
Total Families with Income in 1999 below Poverty Level	559	5.6%
Total Family Households	9,939	
Female Householder in 1999 below Poverty Level	257	21.7%
Female Single Parent Households with Children Under 18 years in 1999 below Poverty Level	241	20.3%
Total Female Householders	1,184	

Source: 2000 Census

2.1.f(6) Homeless Persons (Persons in Need of Emergency Shelter)

Homelessness continues as a regional and national issue, and also continues to be a concern locally. There are generally two types of homeless - the "permanent homeless," who are the transient and most visible homeless population, and the "temporary homeless," who are homeless usually due to eviction and may stay with friends, family, or in a shelter or motel until they can find a permanent residence.

Generally, factors contributing to the rise in homelessness include a lack of housing affordable to lower income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in public subsidies to the poor, alcohol and substance abuses, and the de-institutionalization of the mentally ill. Homeless people, victims of abuse, and other individuals require housing that is being met by the traditional housing stock. These people require temporary housing and assistance at little or no cost to the recipient.

Due to their transient nature in Hollister as elsewhere, it is difficult to count the number of homeless; however, according to the Homeless Task Force of San Benito County in February 2009, there are approximately 100 homeless adults (over 18) in the City. Seasonal farmworker and day-laborer populations are most appropriately classified as part of the temporary homeless population. The San Benito County Homeless Task Force operates winter only shelter services (with a capacity of 25 beds) and food bank services. Other homeless service providers in the community include the Salvation Army (food bank and clothes closet), the Community Pantry (food bank), and Fishes and Loaves (food program).

Special Needs Resources/Emergency shelters/SRO Units

Residential occupancy or single room occupancy (SRO) hotels can be an important component of the special needs housing picture. SRO's can provide low cost housing for those in the extremely low and very low income categories, and can also play a role in the transitioning process from homelessness to more permanent housing.

The City's current zoning ordinance Section 17.22.120 allows homeless shelters by right in the North Gateway zoning district. Bus service is available within the district and the district is also close to the umbrella of support services at the San Benito County Health and Human Services Agency.

The City's current zoning ordinance allows SRO units. Emergency shelters are not defined in specific zones. Residential occupancy or single room occupancy (SRO) hotels can be an important component of the special needs

housing picture. SRO's can provide low cost housing for those in the extremely low and very low income categories, and can also play a role in the transitioning process from homelessness to more permanent housing. The City's current zoning ordinance does not allow emergency shelters by right, SRO units are permitted with a Conditional Use Permit in the Downtown Mixed Use (DMU) district. The City shall continue to encourage the development of SRO's through identification of potential locations and through City assistance with grant writing for their development. Please see the Policies and Programs chapter found at the end of this element for the full program definition.

San Benito County generally provides the majority of the services for the homeless. The primary method of providing emergency shelter to homeless individuals and families in San Benito County is motel voucher programs, dispersed through various divisions of San Benito County Health and Human Services (HHS), and through several community-based organizations.

San Benito County Community Services and Workforce Development provide a temporary, emergency shelter during winter months for homeless families. The County uses vacant cabins at the Migrant Housing Center. The shelter operates from December through March. Space is limited.

Although the City does not have the population of homeless persons to support a full-time shelter, church-based organizations, and the Salvation Army do provide some homeless services such as referrals, meals to low-income residents and a clothing closet.

Special Needs Resources/Transitional and Supportive Housing

Transitional Housing is defined as interim housing helping families move from homelessness to self-sufficiency by providing short-term housing (usually two years) at extremely low rent to qualified families. The revised Zoning Ordinance was adopted by the City in December, 2008. As per Section 17.22.120, Homeless Shelters and Transitional Housing, identified as Small or Large Temporary Residential Shelter (LTRS or STRS), are permitted in the North Gateway (NG) zoning district provided that each establishment meets specified objective location and operational standards. The current Zoning Ordinance does not mention transitional housing by right or with a Conditional Use Permit. However, *Program H.D.* will amend the zoning code to clarify that transitional housing shall be treated as a residential use subject to the same requirements. In order to comply with SB2, the words "by right" shall be added to the code section clearly indicating homeless shelters are allowed by right without any discretionary approval.

San Benito County Community Services and Workforce Development operates a six-month transitional homeless shelter, in Hollister, in conjunction

with Community Services Development Corporation. The transitional shelter program works with families who are homeless and seek to secure permanent housing. The program provides services for parents to seek and maintain employment or to gain the skills necessary for obtaining employment. The program emphasizes the parents developing the financial resources to obtain permanent housing to move into after completion of the program. Assistance is provided in locating and securing permanent housing.

San Benito County Supportive Housing is defined as housing with no limit on length of stay. The current Zoning Ordinance does not mention transitional housing by right or with a Conditional Use Permit. However, *Program H.D.* will amend the zoning to permit transitional and supportive housing, subject to only those regulations governing other types of housing, whether single-family or multifamily.

Manufactured Housing and Mobile Homes

Manufactured housing and mobile homes provide a viable housing alternative to segments of the population. State law states that any site that can be developed for site-built housing must also be available for the development of manufactured housing and mobile homes. GC Section 65852.3 requires that cities allow installation of certified manufactured homes on foundation systems, as per 2.3-2 GC Sect. 65852.3, on lots zoned for conventional single family residences. This section and GC Section 65852.4 require that manufactured homes be subject to the same land use regulation as conventional homes. GC Section 65852.7 deems mobile home parks to be a permitted use in all areas planned and zoned for residential use, although use permit requirements may apply.

According to the US Census, there were 307 mobile homes in Hollister in 2000. Section 17.22.150 of Hollister's zoning code currently limits mobile homes and manufactured housing to approved locations within established mobile home parks. Mobile homes and manufactured housing are not expressly permitted as a use by right in single family districts. As part of this Housing Element, and in adopted to implement the General Plan, a Zoning Ordinance amendment will be done establish mobile and manufactured homes on foundations as permitted uses in the R1 Single Family Residence District and the RA Residence Agricultural District subject to other applicable zoning and development standards in the same fashion as a single family use.

2.1.g. OVERCROWDING

An overcrowded unit is defined by the Census as having 1.01 persons or more per room, excluding kitchens and bathrooms. A severely overcrowded

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unit has 1.5 or more persons per room. Generally, a room is defined as a living room, dining room, bedroom, or finished recreation room.

While family size and tenure are critical determinants in overcrowding, household income also plays a strong role in the incidence of overcrowding. As a general rule, overcrowding levels tend to decrease as income rises, especially for renters. The rate of overcrowding for lower income households is generally nearly three times greater than households over 95 percent of the area median income. As with renters, owner households with higher incomes have lower rates of overcrowding.

Between 1980 and 1990, the percentage of overcrowded households in California nearly doubled from 6.9 percent to 12.3 percent. Census 2000 reports more than 15 percent of California households were overcrowded with overcrowding most common among low-income households, and most prevalent in renter housing. Roughly 24 percent of renter households statewide were overcrowded; in some counties, nearly a third of renter households were overcrowded. One quarter of all overcrowded renter households contained more than one family. Of all owner and renter overcrowded households, estimates are that 6.9 percent are severely overcrowded (more than 1.5 persons per room). As indicated in Table 34, 7.0 percent of owner-occupied households and 12.7 percent of renter-occupied units are considered to be severely overcrowded

**TABLE 2.1-31
OVERCROWDED UNITS BY TENURE - 2000-**

Persons per Room	OWNER		RENTER		TOTAL OVERCROWDED	
	Households	Percent	Households	Percent	Households	Percent
0.50 or less	3,074	47.5%	1,088	33.2%	4,162	42.7%
0.51 to 1.00	2,589	40.0%	1,300	39.7%	3,889	39.9%
1.01 to 1.50	354	5.5%	472	14.4%	826	8.5%
1.51 to 2.00	283	4.4%	252	7.8%	535	5.5%
2.01 or more	166	2.6%	163	4.9%	329	3.4%
Total	6,466	100.0%	3,275	100.0%	9,741	100.0%
% Overcrowded by Tenure	449	6.9%	415	12.7%	864	8.9%

Source: 2000 Census

SECTION 2.2.a

INVENTORY OF RESOURCES

2.2.a. EXISTING HOUSING CHARACTERISTICS

The City of Hollister has grown significantly in the last 18 years, increasing by over 92 percent. In 1990, Hollister had 6,222 dwelling units and by 2000 there were 9,928 dwelling units, an approximately 59.9 percent increase. In 2008 there were 10,584 housing units, an approximately 6.3 percent increase from 2000. Overall, in the past 18 years the City has increased its housing stock 70.1 percent.

The market for housing in the City of Hollister has been restricted during the past 5 and one-half years as a result of the wastewater treatment related moratorium on growth and development. Prior to that, the City experienced a significant amount of single family home building; approximately 75% of homes in Hollister are single family dwellings. This in turn has created a need for alternative housing types in the City, including apartments, condominiums and other types of residences, available to all income groups. Other patterns of growth have continued to affect the City as well, including the influx of people moving from other regions to locate in Hollister.

**TABLE 2.2-32
HOUSING UNITS BY TYPE - CITY OF HOLLISTER**

	1990		2000		2008	
Unit Type	Number	Percent	Number	Percent	Number	Percent
Single Family	4,513	72.5%	7,902	79.6%	8,505	80.3%
2-4 Units	882	14.2%	979	9.9%	992	9.4%
5+ Units	516	8.3%	741	7.5%	781	7.4%
Mobile Home & Other	311	5.0%	306	3.0%	306	2.9%
TOTALS	6,222	100.0%	9,928	100.0%	10,584	100.0%

Source: 1990, 2000 US Census, 2008 Department of Finance

2.2.b. HOUSING CONDITIONS

During the summer and fall of 2008, the City of Hollister, Department of Development Services utilized in-house staff to gather primary data and tabulate the information regarding the condition of housing units in the City. Areas of the City, for purposes of establishing general conditions, were analyzed according to Census Tracts and Block Groups.

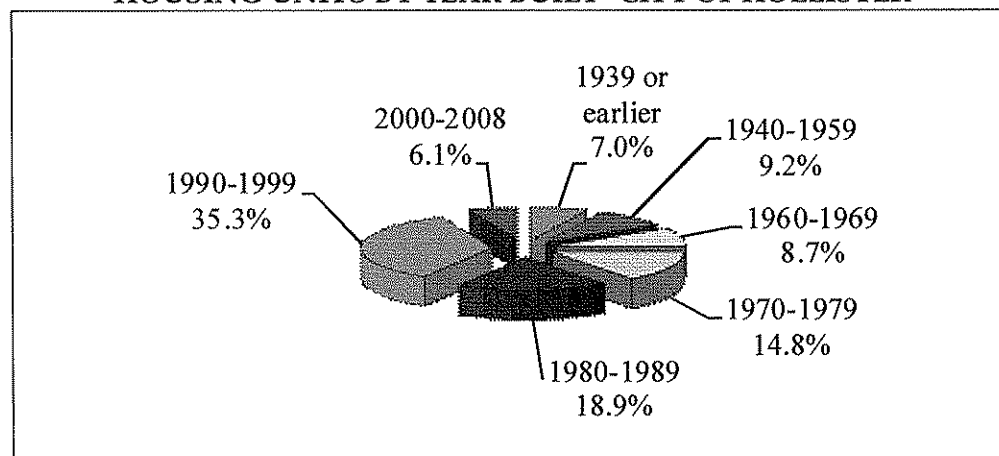
Results of the survey can be seen in Table 2.2-33 below. Of the 9,012 units surveyed by the City, 7,313 units (81.1 percent) are in sound condition. However, approximately 1,693 units (18.8 percent) of Hollister's housing stock are deemed to be in need of some form of rehabilitation. The need for rehabilitation exists if the condition is classified as Minor, Moderate or Substantial. The city has approximately 1,502 units (16.7 percent) in need of minor repairs, 186 units (2.0 percent) in need of moderate repairs and 5 units (0.1 percent) in need of substantial repairs. As many as 6 units are considered Dilapidated and should be considered for demolishing. With approximately 11 units in need of either substantial rehabilitation or deemed dilapidated, the City may have a need to place further emphasis on a residential rehabilitation program.

**TABLE 2.2-33
HOUSING CONDITIONS, CITY OF HOLLISTER**

Census Tracts - Block Groups	CONDITION OF UNITS										TOTAL
	Sound		Minor		Moderate		Substantial		Dilapidated		
	Number	%	Number	%	Number	%	Number	%	Number	%	
1-2	12	70.6%	4	23.5%	1	5.9%	0	0.0%	0	0.0%	17
3-1	263	74.5%	86	24.4%	4	1.1%	0	0.0%	0	0.0%	353
3-2	7	70.0%	3	30.0%	0	0.0%	0	0.0%	0	0.0%	10
3-3	355	81.0%	69	15.7%	14	3.2%	0	0.0%	0	0.0%	438
4-1	379	72.5%	109	20.8%	29	5.5%	4	0.8%	2	0.4%	523
4-2	275	67.4%	91	22.3%	38	9.3%	1	0.3%	3	0.7%	408
4-3	309	70.2%	102	23.2%	29	6.6%	0	0.0%	0	0.0%	440
4-4	228	65.7%	113	32.6%	6	1.7%	0	0.0%	0	0.0%	347
5-1	339	76.9%	70	15.9%	32	7.2%	0	0.0%	0	0.0%	441
5-2	732	81.8%	156	17.4%	7	0.8%	0	0.0%	0	0.0%	895
5-3	1,207	86.6%	186	13.3%	0	0.0%	0	0.0%	1	0.1%	1,394
6-1	171	74.7%	58	25.3%	0	0.0%	0	0.0%	0	0.0%	229
6-2	294	73.3%	97	24.2%	10	2.5%	0	0.0%	0	0.0%	401
6-3	1,151	89.0%	131	10.1%	11	0.9%	0	0.0%	0	0.0%	1,293
7-1	917	86.6%	142	13.4%	0	0.0%	0	0.0%	0	0.0%	1,059
7-2	296	82.0%	64	17.7%	1	0.3%	0	0.0%	0	0.0%	361
7-3	378	93.8%	21	5.2%	4	0.9%	0	0.0%	0	0.0%	403
SURVEYED HOUSING UNITS											9,012

Generally, housing conditions can be described by the age of the units, exempting diligent maintenance. Since building codes change with time and technology, the older housing units are the most likely to be considered substandard or in marginal condition. Approximately 16.2 percent of the housing stock in the City of Hollister was built before 1960. An additional 8.7 percent was built between 1960 and 1969, while more recently, 6.1 percent of the housing units were built between 2000 and 2008.

**CHART 2.2-5
HOUSING UNITS BY YEAR BUILT -CITY OF HOLLISTER**



Source: 2000 Census; 2008 SOCDS

2.2.c. RESIDENTIAL CONSTRUCTION TRENDS

From 2000 to 2008, 663 housing units have been constructed in the City of Hollister. Of the new units, 93.5 percent were single-family units. A total of 42 (6.5%) multi-family units have been built since 2000.

Based on the figures in Table 2.2-34, an average of 81 building permits have been issued each year. Depending on the market conditions, the City of Hollister, in fact, any city, will experience changes in the total number of building permits issued over time. Going forward, an average of 610 units per year needs to be constructed in order to meet the Regional Housing Needs Allocation (RHNA) of 3,049 for 2009-2014. The City is able to demonstrate, based on units approved and pending construction, and based on vacant land as well as redevelopment parcels, that they have the capacity to meet the RHNA. Section 2.2.b contains a more in-depth discussion of the City's sites inventory.

**TABLE 2.2-34
BUILDING PERMITS BY YEAR – CITY OF HOLLISTER**

Year	Single Family Units	Duplexes	3-4 Unit Multi-family	(5+ Units) Multi-family	Total Units
2000	358	0	0	0	358
2001	210	0	0	40	250
2002	33	2	0	0	35
2003	2	0	0	0	2
2004	1	0	0	0	1
2005	0	0	0	0	0
2006	1	0	0	0	1
2007	1	0	0	0	1
2008*	15	0	0	0	15
Total	621	2	0	40	663

*Source: City of Hollister Building Department, SOCDs online database as of October 2008

2.2.d. VACANCY TRENDS

Vacancy trends in housing are analyzed using a “vacancy rate” which establishes the relationship between housing supply and demand. For example, if the demand for housing is greater than the available supply, then the vacancy rate is low and the price of housing will most likely increase. Additionally, the vacancy rate indicates whether or not the City has an adequate housing supply to provide choice and mobility. HUD standards indicate that a vacancy rate of five percent is sufficient to provide choice and mobility.

In 2000, the Census reported a vacancy rate of 2.14 percent in the City of Hollister. The California State Department of Finance (DOF) Population Research Unit publishes an annual estimate of population, housing units, vacancy, and household size for all incorporated cities in the State. In 2008, the DOF estimated the vacancy rate for Hollister to be 2.10 percent. It should be noted that the DOF estimate is for all housing unit types and does not exclude seasonal, recreational, occasional use or other vacant. According to the 2000 Census, 32.7 percent of the vacant units are rental units and 15.0 percent of the vacant units are for seasonal, recreational, or occasional use.

2.2.d (1) Multifamily Vacancy

In January 2008, Laurin Associates conducted a vacancy survey of existing rental properties within Hollister. A total of 780 multifamily units were surveyed. The survey found that there were 27 vacancies within the City of Hollister, for an overall vacancy rate of 1.2 percent. Most managers reported that turnover is rare, waiting lists are long, and when vacancies do occur the units are rented very quickly.

2.2.d (2) Single Family Vacancy

According to the Multiple Listing Service, there were a total of 41 homes and condominiums for sale in the City of Hollister in February 2009. The estimated vacancy rate for single-family dwellings in 2008 was 2.1 percent, based on a total

of 8,505 single-family units. As a rule, this vacancy rate indicates a normal housing market with limited choice and mobility. However, over the past year there have been numerous homes in some stage of foreclosure. The high number of foreclosures skews the discussion of a vacancy rate. Homes that are currently in foreclosure as a result of the market crisis are considered outside the normal discussion of residential vacancies. The analysis below provides a discussion of the current state of foreclosed properties.

2.2.d (3) Foreclosure Vacancy

According to Realtytrac.com, Hollister has approximately 883 homes that are at some stage of foreclosure as of March 2, 2009. The City of Hollister City Council has been active in addressing this problem, adopting an ordinance in early 2008 addressing nuisance problems associated with such foreclosures.

- 475 homes are currently bank-owned properties
- 135 homes are scheduled for trustee sale
- 6 pre-foreclosure homes are on the market for re-sale
- 267 homes are in pre-foreclosure, have received notices of default

The City is taking an active role in addressing the foreclosure issue in Hollister. Section 4.0 (Program H.A) of this Housing Element includes a program administered by the Redevelopment Agency to help address the significant number of foreclosures within the City. The Hollister RDA is preparing to fund a program called the “Foreclosed Home Reactivation Program” to assist in returning foreclosed homes to occupied status. The City will continue to conduct public workshops providing foreclosure prevention information to property owners. Additionally, the City will continue to implement the Property Maintenance Ordinance in an attempt to prevent deterioration of neighborhoods with high foreclosure rates.

2.2.e. HOUSING COSTS AND AFFORDABILITY

One of the major barriers to housing availability is the cost of housing. In order to provide housing to all economic levels in the community, a wide variety of housing opportunities at various prices should be made available. The following table describes the acceptable monthly payment for households (family of four) in the five major income groups: Extremely-Low Income, Very-Low, Low, Moderate and Above-Moderate.

**TABLE 2.2-35
INCOME GROUPS BY AFFORDABILITY (2008)**

Income Group	Income Range	Monthly Payment Range*
Extremely Low	Less than \$23,400	Less than \$585
Very Low	\$23,401 - \$39,000	\$585-\$975
Low	\$39,001 - \$62,400	\$975- \$1,560
Moderate	\$62,401 - \$93,600	\$1,560 - \$2,340
Above Moderate	Greater than \$93,601	Greater than \$2,340

Source: 2008 California Tax Credit Allocation Committee, San Benito County

*NOTE: affordable housing is up to 30% of income used toward gross monthly housing costs.

In the previous program period, due to the high cost of housing in Hollister, significant subsidies were needed to make housing affordable to low and moderate-income households. To make projects feasible, developers must rely on a variety of federal, state, and local funding and financing sources. All funding sources require separate reporting and data collection. When multiple funding sources are used, as is usually necessary, additional burdens are placed on developers with limited staffing to track the information required and report on a timely basis.

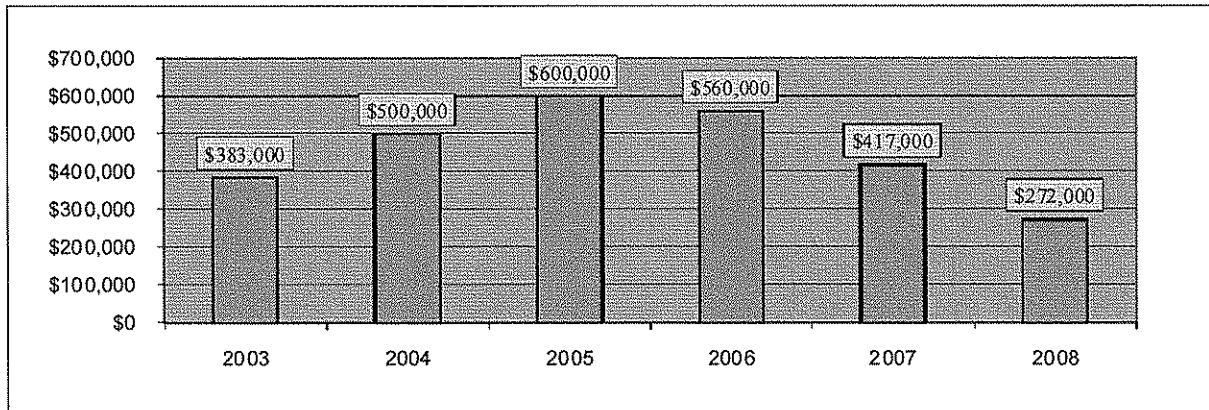
California localities receive federal subsidies for affordable housing through a number of programs. Like state programs, federal programs often change in terms of program details, application procedures, and amount of subsidy dollars available. State agencies also play an important role in providing housing assistance by allocating federal housing funds and/or making loans available to affordable housing developments. The three principle agencies involved are the State Treasurer's Office, the California Housing Finance Agency (CalHFA), and the California Department of Housing and Community Development (HCD). Competition for available funding is keen and is expected to become more intense in view of current and projected government deficits.

Local government resources, which have played a less important role in the past supporting housing development, now play a fairly significant role by making local developments more competitive for federal and state financing. There is considerable competition for the program funds that are available, and any one development will need to draw upon multiple resources to be financially feasible. When developments are able to demonstrate a financial commitment and contribution from local sources – especially if coupled with regulatory support through policies such as fast-track processing, fee waivers, and/or density bonuses – they have a much higher chance of ensuring a projects' success.

2.2.e (1) Single-family Sales Units

Since 2003, the median single-family home sales price ranged from a low of \$383,000 to the 2006 high of approximately \$615,000. From 2004 to 2006, home prices increased by approximately 50 percent. Since that time, the peak prices have declined by 55 percent, and are continuing to decline. Based on information provided by a local real estate agent prices are decreasing, and foreclosures and short sales are common. The current median home prices of \$272,000 is 55 percent lower than the 2006 peak. The Hollister median home price is slightly higher than the median home price of a home in the State as a whole, which is currently \$249,000. This volatility in median sales price is due in part to the speculative housing demand and problematic lending standards that have resulted in housing problems throughout the State and nation.

**CHART 2.2-6
MEDIAN SALES PRICE TREND -CITY OF HOLLISTER**



Source: Onboard Information, February 2009

2.2.e (3) Current Single Family Listings

During February 2009, 38 single-family units were listed for sale in Hollister, with the majority priced in the \$103,900 to \$299,000 range.

**TABLE 2.2-36
CURRENT SALES LISTINGS FOR SINGLE FAMILY HOMES**

PRICE RANGE	NUMBER OF UNITS AVAILABLE
Below \$100,000	0
\$100,000- \$149,999	2
\$150,000- \$199,99	7
\$200,000- \$299,999	20
\$300,000- \$399,999	6
above \$400,000	3

Source: Multiple Listing Service, February 2009

During February, 3 condominium properties were listed for sale in Hollister, all selling for between \$115,000 and \$142,900.

**TABLE 2.2-37
CURRENT SALES LISTINGS FOR CONDOMINIUMS**

PRICE RANGE	NUMBER OF UNITS AVAILABLE
Below \$100,000	0
\$100,000- \$149,999	3
\$150,000- \$199,99	0
\$200,000- \$249,999	0
\$above \$250,000	0

Source: Multiple Listing Service, February 2009

2.2.e (4) Rental Units

According to the 2000 Census, the median rent was \$720 in the City of Hollister, compared to \$715 for San Benito County. Based on information provided by a local realtor, the current average market rents range from \$800 for a two-bedroom unit to \$1,400 for a four-bedroom unit.

The identified rental apartments in the City of Hollister are a combination of affordable and market rate units. There are currently four complexes providing affordable housing under HUD, USDA, and LIHTC programs for families, farm-workers, and seniors. The affordable housing complexes range in size from 19 units to 116 units in size. Home rentals are somewhat more expensive, and range from \$1000 to \$2,100.

**TABLE 2.2-38
CURRENT AVERAGE RENTS**

Bedroom Type	Average Market Rents
Two-Bedroom	\$900
Three-Bedroom	\$1,150
Four-Bedroom	\$1,400
Source: The Pivetti Company, February 2009	

2.2.e (5) Affordability

Affordability is defined as a household spending 30 percent or less of household income for shelter. Shelter is defined as gross rent or gross monthly owner costs. Gross rent is the contract rent, plus utilities. In most cases, the contract rent includes payment for water, sewer and garbage. Gross monthly owner costs include mortgage payments, taxes, insurance, utilities, condominium fees, and site rent for mobile homes.

As noted in Table 2.1-16 in the previous section, 28.4 percent of renter households pay in excess of 30 percent of their income for shelter while 26.8 percent of owners overpaid in 2000. To put this in perspective, the maximum rent that can be charged to be considered affordable housing based on income is reflected in the following Table 2.2-39. The average rents listed in Table 2.2-38 are less than the maximum affordability for low income households. Despite this trend for increasing rents, Hollister has remained relatively affordable. For instance, while households within the very low-income categories could not afford the average market rents within the City, most market rents are affordable to those households within the low-income category.

**TABLE 2.2-39
AFFORDABLE RENTAL RATES**

Income Range	Maximum Affordability				
	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
Extremely Low	<\$409	<\$438	<\$526	<\$607	<\$678
Very Low	\$682	\$731	\$877	\$1,013	\$1,131
Low	\$1,091	\$1,169	\$1,403	\$1,620	\$1,809
Moderate	\$1,636	\$1,218	\$2,104	\$2,431	\$2,714
Above Moderate	>\$1,636	>\$1,218	>\$2,104	>\$2,431	>\$2,714

Source: California Tax Credit Allocation Committee Maximum Rent Schedule 2008, San Benito County

While shelter costs for rental units are estimated to be affordable at 30 percent of gross income, households are generally able to obtain a mortgage loan based on 35 to 40 percent of gross income. In light of the current mortgage crisis, these limits are being given renewed consideration. This is subject to individual credit and budgeting conditions and those with less revolving loan-type debt can usually find financing for a more expensive home. For instance, very low-income households in Hollister could afford a home priced approximately \$154,000, depending on the interest rate (typically 6%) currently there are nine (9) home available in that price range.

2.2.f. AT - RISK HOUSING

California Housing Element Law requires all jurisdictions to include a study of all low-income housing units which may at some future time be lost to the affordable inventory by the expiration of some type of affordability restrictions. The law requires that the analysis and study cover a five-year and a ten-year period, coinciding with updates of the Housing Element. Expiration of the low-income use period of various financing sources, such as Low-income Housing Tax Credit (LIHTC), bond financing, density bonuses, California Housing Finance Agency (CalHFA), Community Development Block Grant (CDBG) and HOME funds and redevelopment funds.

2.2.g INVENTORY OF AT RISK RENTAL HOUSING UNITS

The following inventory includes government assisted rental properties in the City of Hollister that may be at risk of opting out of programs that keep them affordable to very low and low income households over the five year Housing Element Period (2009-2014) and for the subsequent five years (2019). Generally, the inventory consists of Housing and Urban Development (HUD) subsidized and USDA Section 515 properties that are at risk. As indicated by the California Housing Partnership Corporation, target lower income populations including extremely-low income groups, very-low income groups, and seniors. At-Risk units indicate units that may convert to market rate within 5 years, a Lower Risk project may convert within 5-10 years.

The process of selling out of affordable programs is a thorough and lengthy process which requires notices to local government and local housing authorities. Appendix D of this housing element lists housing non-profit organizations known to both the State and local governments as

3. HOUSING ELEMENT

being interested in acquiring at-risk units and maintaining affordability for the life of the structure.

The listed deed-restricted affordable housing developments in Hollister that are at risk of converting to market rate (see Table 2.2-40 below) utilize the Rural Development's Section 515 direct mortgage program; some were originally FarmHome projects and some were originally Section 8. This program granted 40-year loans with a 1 percent interest rate. Many loans were pre-payable in 20 years, and all projects had Section 8 or rental assistance. The City will continue to emphasize the importance of maintaining and preserving at-risk units; as evidenced by Implementation Program H.P in Section 4.0.

**Table 2.2-40
Affordable Housing Developments at Risk of Conversion**

PROJECT	# OF UNITS	COMPLETION DATE	FINANCING PROGRAM	HOUSING TYPE	At Risk or Lower Risk
Villa Luna 850 Hillcrest	116	1985	Section 515 originally (Section 8)	Low income rental	Lower Risk
Prospect Ave. Sr. Apts. 190 East Park St.	19 (1 Manager unit)	1985	Section 515	Senior, Very low	At Risk
Prospect Villa III 960 Prospect Ct.	29 (1 Manager Unit)	1995	Section 515	Low Income	Lower Risk
Prospect Villa II 970 Prospect Ave.	42	1992	Section 515	Low Income Senior Multifamily	At Risk
Prospect Villa 1 998 Prospect Ave.	14	1998(2002)	Section 515	Senior and Very Low	At Risk
Park Street 110 Park St.	40	1984	Section 515	Low Income	At Risk
Total Units	262				

2.2.h COST ANALYSIS

In order to provide a cost analysis of preserving "at-risk" units, costs must be determined for rehabilitation, new construction, or tenant-based rental assistance.

2.2.i(1) Rehabilitation

The factors used to analyze the cost to preserve at risk housing units include acquisition, rehabilitation, and financing costs. Both new construction and rehabilitation utilize an assumption of 1,000 square foot units, on a typical market rate 40 unit project. These figures are estimates since actual costs will depend on condition, size, location, existing financing, and the availability of financing. Information from similar projects, in addition to the cited sources, have added helped in formulate the numbers in the following tables.

**TABLE 2.2-41
REHABILITATION COSTS**

Fee/Cost Type	Cost per Unit
Acquisition	\$74,985
Rehabilitation	\$39,000
Financing/Other Costs	\$35,015
TOTAL COST PER UNIT	\$149,000

Source: Laurin Associates, Marshall and Swift Residential Cost Handbook 2004.

2.2.i(2) New Construction/Replacement. The following cost estimates are estimates based on recent new apartment construction in San Benito County. The actual replacement costs for any of the at-risk units will depend on many variables such as the number of units, location, density, unit sizes, on and off-site improvements, and both existing and new financing. Again, local developers have provided information.

**TABLE 2.2-42
NEW CONSTRUCTION/REPLACEMENT COSTS**

Cost/Fee Type	Cost Per Unit
Land Acquisition	\$24,000
Construction	\$265,000
Financing/ Other Costs	\$79,500
TOTAL PER UNIT COST	\$368,500

Source: Laurin Associates, Chelsea Investment Corp.

2.2.i. PRESERVATION RESOURCES

Efforts by the City to retain low-income housing must be able to draw upon two basic types of preservation resources: organizational and financial. Qualified, non-profit entities need to be made aware of the future possibilities of units becoming "at-risk". Should a property become "at-risk" the City maintains an active list of resources in which to preserve that property. A list of potential organizational preservation resources is provided in Appendix C of this document.

In addition, the City of Hollister has identified procedures for actively monitoring noted at-risk properties, with the goal of preserving at-risk units. Identified procedures include:

- ❑ Monitoring the "Risk Assessment Report" published by the California Housing Partnership Corporation (CHPC) to assess federally financed projects.
- ❑ Maintain regular contact with the local HUD office regarding early warnings of possible opt-outs.
- ❑ Maintain contact with the owners and managers of existing affordable housing to determine if there are plans to opt-out in the future, and offer assistance in locating eligible buyers.
- ❑ Develop and maintain a list of potential purchasers of at-risk units and act as a liaison between owners and eligible purchasers.
- ❑ Ensure that all owners and managers of affordable housing are provided with applicable State and federal laws regarding notice to tenants of the owner's desire to opt-out or prepay. State law requires a 12 month notice.

The following is a list of potential financial resources considered a part of the City's overall financial plan to preserve and retain affordable units. The number and availability of programs to assist cities and counties in increasing and improving their affordable housing stock is limited, and public funding for new projects is unpredictable. The following is a list of local, state and federal programs.

- ❑ Hollister Redevelopment Agency- The RDA sets aside 20% of its tax increment funds for the production or retention of affordable housing.
- ❑ Home Investment Partnerships (HOME) Program and Community Development Block Grant Program (CDBG) - The HOME Program was created under Title II of the Cranston-Gonzales National Affordable Housing Act enacted on November 28, 1990. The City of Hollister participates in State of California Small Cities program for both the HOME funds and for CDBG funds
- ❑ Community Reinvestment Act (CRA) - Federal law requires that banks, savings and loans, thrifts, and their affiliated mortgaging subsidiaries, annually evaluate the credit needs for public projects in communities where they operate. Part of the City's efforts in developing preservation programs will be to meet with the Community Reinvestment Act Lenders Group organized by the County to discuss future housing needs and applicability of the Community Reinvestment Act. Although an unpredictable resource, it is important to establish a working relationship for future problem solving.
- ❑ Low-income Housing Tax Credit Program (LIHTC) - The LIHTC Program provides for federal and state tax credits for private and non-profit developers and investors who agree to set aside all or an established percentage of their rental units for households at or below 60 percent of AMI for no less than 30 years. These tax credits may also be utilized on rehabilitation projects, contributing to the preservation program.
- ❑ The Affordable Housing Program (AHP) and Community Investment Program (CIP) are facilitated by the Federal Home Loan System for the purposes of expanding the affordable housing supply. The San Francisco Federal Home Loan Bank District provides service to San Benito County, and throughout California. Subsidies are awarded on a competitive basis usually in the form of low-interest loans and must be used to finance the purchase, construction, and/or rehabilitation of rental housing.
- ❑ The Predevelopment Loan Program, conducted through HCD, provides the funds to pay the initial costs of preserving existing affordable housing developments for their existing tenants. Priority is given to applications with matching financing from local redevelopment agencies or federal programs.
- ❑ Rural Seed Money Loan Programs, operated through the Housing Assistance Council operates revolving loan funds to provide seed money for rural housing and development projects intended to benefit very low- and low-income persons.

- Preservation Financing Program, operated through California Housing Finance Agency (CHFA), offers tax exempt financing for the acquisition or refinancing of a project with an expiring Section 8 contract.

2.2.j. REDEVELOPMENT AGENCY

The City of Hollister has a redevelopment agency to provide staff support for administering rehabilitation funds for low-income homeowners and other housing programs. By State law, the Hollister Redevelopment Agency (The Agency) will set aside 20 percent (%) of the gross tax increment revenues received from the Redevelopment Area into a low to moderate income housing fund for affordable housing activities. As can be seen in Table 47 below, during the current housing element period 2009-2014 (calendar years 1010 to 2014), the Agency estimates accruing \$10,150,000 in funds to the low/mod fund account. Estimates of future funding accruals to the agency are based on the best information available, considering weakening tax revenues and uncertain government recapture programs aimed at closing the State budget gap. The identified funding levels are goals set by the Hollister Redevelopment Agency, subject to RDA Board approval.

Agency funding will continue to be available through the low and moderate income housing set-aside for affordable housing and housing related purposes. The City of Hollister maintains a relationship with two primary partners in the development of affordable projects, South County Housing and Community Services Development Corporation. The Plan's identified goals, including housing and housing related goals are as follows:

- To provide a stable, diversified and larger economic base for the Project Area and community,
- To conserve and improve existing public facilities and to provide such new facilities as needed for the full and complete development of the Project Area,
- To provide a safer, more efficient and economical movement of persons and goods within the Project Area and community,
- To provide additional housing opportunities in the Project Area and community,
- To enhance the physical environment of the Project Area and to emphasize its favorable environmental characteristics,
- To improve the physical condition of the public and private buildings in the Project Area including a reasonable level of earthquake resistance.
- To provide for downtown revitalization and the development of vacant sites resulting from earthquake or fire,
- To pursue a Redevelopment Plan Amendment.

The Hollister RDA is participating in funding several projects, affordable to lower income groups. The Agency has been prohibited from moving forward with these projects due to the sewer moratorium. Since the moratorium has been lifted, the projects are now moving forward and are at different stages in the development process.

3. HOUSING ELEMENT

1. Meadows Vista (formerly known as Bridgevale): 72 Unit very low income senior complex. The project received Site and Architectural approval in November, 2007, and is expected to be complete in 2010. The RDA has committed \$4.2 million from the Low/Mod set aside fund.
2. Hillview: 25 unit SF housing project (low income). The project is expected to be complete in 2011. The RDA has committed \$700,000 from the Low/Mod set aside fund for this project.
3. The Westside/Palmcourt (approved as one project): a 12 unit low income apartment project. The project (agency) is currently in negotiations on an owner participation agreement with the developer, and is expected to be finalized in the winter of 2009. The RDA has committed \$1 million from the Low/Mod set aside fund for the project; the developer is requesting an additional \$8.5 million.

To target goals in the Hollister Redevelopment Agency (RDA) 2005-2009 Five-Year Implementation Plan, and in anticipation of the 2010-2014 Five Year Plan, the housing element has identified the following housing and housing related programs targeting lower income families with LMI Funds (set-asides).

- Publicize low-income homeowner's assistance for housing rehabilitation and the availability of other funding mechanisms to help with home upkeep and maintenance, such as reverse mortgages for seniors on fixed incomes. Utilize Redevelopment Agency funds that are available for rehabilitation purposes. Facilitate greater participation in the program by increased advertising and by encouraging resident participation,
- Facilitate the construction of affordable housing at key sites to meet the City's "Fair Share" of the regional housing need for *very low, low and moderate*-income households. Ensure that local affordable housing developments will be competitively positioned to access affordable housing finance sources (such as tax credits and tax-exempt bonds). Facilitate the development or rehabilitation of affordable housing by using redevelopment set-aside funds to assist in any on and off-site mitigation that may be required or to provide gap financing.
- Participate and allocate funds, as appropriate, for nonprofit programs providing emergency shelter and related counseling services.
- Renew the Redevelopment Agency funded Owner Occupied Rehabilitation program to assist homeowners with necessary home repairs and certain limited upgrades.
- Renew the Redevelopment Agency funded Mortgage Credit Certificate (MCC) program to provide tax relief to first time homebuyers who qualify under the program income guidelines.
- Redevelopment Agency funded Residential Foreclosure Reestablishment Program to provide assistance where homes have been foreclosed on or purchased by institutions. The City will partner with a non-profit developer to purchase, rehabilitate and offer first time purchase assistance to place vacant homes back in the marketplace and to assist potential purchasers who otherwise

may not be able to buy a home, enter the market; funded in the amount of \$1 million per year.

- Renew housing program and guidelines for a Redevelopment Agency funded program to provide a First Time Homebuyers (FTHB) down payment assistance program which would provide a silent second mortgage to low and moderate income families.
- Develop housing program and guidelines for Redevelopment Agency funded Tenant Based Rental Assistance program that would provide a rental reimbursement payment to low and moderate income families.

TABLE 47
HOLLISTER REDEVELOPMENT AGENCY, SET-ASIDE FUNDING
HISTORICAL AND PROJECTED

Year	Set-Aside RDA Funding
2004	\$1,296,240
2005	\$1,387,843
2006	\$2,088,511
2007	\$2,192,173
2008	\$2,300,240
2009	\$2,412,900
Total	\$11,677,907
2010	\$1,900,000
2011	\$1,950,000
2012	\$2,000,000
2013	\$2,100,000
2014	\$2,200,000
Total	\$10,150,000
Grand Total	\$21,827,907

2.2.k. RESIDENTIAL ZONING AND DENSITY

Zoning districts specify minimum lot size, permitted uses, conditional uses, building height and front, rear, and side yard setbacks. Zoning districts further the health, safety, and welfare of the residents. Zoning standards originate from the General Plan. In the City of Hollister, residential zoning targets all income groups. The City has made it very clear that residential development is welcome and supported.

2.2.1. (1) Zoning

Title 17 of the Hollister City Code provides the zoning provisions for the City. Residential zoning for the City of Hollister is defined as follows:

RE – Residential Estate District (1 du/5 Acres).

The Residential Estate (RE) zoning district provides for residential development at densities up to one dwelling unit per 5 net acres; it is intended to provide for very low intensity residential development where all urban services may not be required. The RE District is intended to provide sites for larger, distinctive residences. The RE zoning district is consistent with the Residential Estate (RE) land use category of the General Plan.

R1 – Low Density Residential District (1-6 du/ Acre)

The Low Density Residential (R1) zoning district includes areas substantially developed with existing single family residential residences prior to 2005 with densities of one to 6 dwelling units per net acres. The R1 zoning district is consistent with the Low Density Residential (LDR) land use category of the General Plan.

R2 – Two Family Residential District (7-12 du/ Acres)

The Two Family Residential (R2) zoning district provides for duplexes or two-family dwellings. Areas designated R2 were substantially developed prior to 2005 with two single-family residential units on a lot or duplexes. The R2 zoning district is consistent with the Medium Density Residential (MDR) land use category of the General Plan.

R3 – Medium Density Residential District (8-16 du/ Acres)

The Medium Density Residential (R3) zoning district provides for medium and medium to high density residential development at densities from 8 to 16 dwelling units per net acres.

Areas designated R3 were substantially developed prior to 2005 and are generally characterized by apartments and other high density residential development, and planned residential development at a density of 16 dwelling units per acre. The R3 zoning district is consistent with the Medium Density Residential (MDR) and High Density Residential (HDR) land use category of the General Plan.

R4 – High Density Residential District (12-35 du/ Acres)

The High Density Residential (R4) zoning district provides for high density residential development at densities from 12 to 35 dwelling units per net acre. Areas designated R4 were substantially developed prior to 2005 and are generally characterized by apartments and other high density residential development, and planned residential development at a density of 16 or more dwelling units per acre. The R4 zoning district is consistent with the High Density Residential (HDR) land use category of the General Plan.

Residential Performance Overlay Zone District (R-1 L/PZ, R-3 M/PZ and R-4 H/PZ)

This overlay district applies to vacant land within the City of Hollister. The intent of the overlay district is to foster development that meets the range of densities for the General Plan land use designation with the option for flexible

standards to implement policies and programs in the General Plan that call for the following:

- a. A variety of lot sizes and choices for housing types in all zoning districts.
- b. New development with interesting street patterns, site planning and neighborhood design.
- c. Connections of the new development with the rest of the City for pedestrians and bicyclists.
- d. Incorporation of on-site recreation, pedestrian links between adjoining properties, trails or easements in the vicinity of drainages and water courses in new development.
- e. Clustered development that meets the average General Plan density for the property while avoiding development in areas with environmental constraints such as flood, seismic, liquefaction, special habitat area.
- f. Lot design and building orientation to provide solar access.
- g. Sensitive integration of the scale and mass of new development preserves the character and scale of existing residential neighborhoods.

Lands with R-1 L/PZ overlay zone predominantly include vacant land within the City of Hollister in the Low Density Residential (1-8 units per net acre) land use category of the General Plan. An average development density of 1 to 8 units per net acre is required in this overlay zone with a targeted density of at least six units per net acre.

Areas with the R-3 M/PZ overlay zone comprise vacant land within the City of Hollister in the Medium Density Residential (8-12 units per net acre) land use category of the General Plan. An average development density of 8 to 12 units per net acre is required in this overlay zone.

Areas included in the R-4 H/PZ overlay zone encompass vacant land within the City of Hollister in the High Density Residential (16-35 units per net acre) land use category of the General Plan.

HO – Home/Office District (8-12 du/ Acres)

The Home Office (HO) zoning district is primarily a medium density residential zoning district that provides the option for small scale professional office uses, artist/craft studios, beauty salon and specialty cottage businesses in the same area around the central core of the community. Residential densities may range from detached single-family housing, to lower density multi-family housing. It is the intent of this district to preserve the essential historic characteristics of the

General Plan 'Old Town Residential Area' of Hollister while providing a transitional zone between the downtown commercial uses and older residential uses. The HO zoning district is consistent with the Home Office (HO) land use category of the General Plan. The residential development density is 8 to 12 units per net acre.

OT – Old Town District

The Old Town (OT) zoning district applies to the residential neighborhoods that include the original town of Hollister, as laid out by the San Juan Justo Homestead Association, its early subdivisions, and adjacent older residential areas. Within this district are numerous lots of unusual size and shape, many of which were originally designed to accommodate stables, barns, and other outbuildings. In addition many areas of this district are occupied by a varied mix of residential types and densities. The majority of the housing stock was constructed prior to World War II. Some of the homes in this district are listed in the National Monterey Street Historic District. South of Fourth Street, the Old Town (OT-M) zoning district is consistent with the Medium Density Residential Land use category of the General Plan with residential development densities from 8 to 12 dwelling units per net acre. Areas within the OT-M district could have single family homes, duplexes, fourplex, cottages and housing on small lots. This district also encompasses the General Plan Old Town Special Planning Area. North of Fourth Street, the Old Town (OT-H) district is consistent with the High Density Residential category of the General Plan with residential development densities from 12 to 35 dwelling units per net acre. The Old Town-H district provides for infill development of small lots, apartments and other high density residential development.

The additional purpose of the OT-M district is to provide for the infill of detached single family dwellings on small lots and small scale medium density dwellings where the minimum density is not less than eight (8) units per net acre and the maximum density is not more than twelve (12) units per net acre without density bonus.

The additional purpose of the OT-H district is to provide for the infill of detached, attached, medium density and multifamily dwellings where the minimum density is not less than sixteen (16) units per net acre and the maximum density is not more than thirty five (35) units per net acre without density bonus.

RWF – Residential, West Fairview Road District (2-8 du/ Acres)

The RWF (West Fairview Road district) establishes zoning regulations for the area defined by the West Fairview Road Specific Plan. The West Fairview Road Specific Plan provides for comprehensive land use, circulation and infrastructure plans, development and design policies, housing strategies and implementation programs for guiding and ensuring the orderly development of the plan area. The intent of these regulations is to implement the specific plan and the City general plan, as well as to allow for a mix of housing types and densities.

Mixed Use

The City has adopted new Mixed Use zoning districts, the Downtown Mixed Use District, the Neighborhood Mixed Use District, and the West Gateway (Mixed Use) District that will encourage retail ground floor uses with a mix of office and residential uses on one to two floors above the ground level or a mix of commercial and high density residential development in an area. The Mixed Use district falls within the Redevelopment Agency Project Area and other areas of the City including the West Gateway, and the downtown, discussed in more detail below. Many incorporated lots that have been rezoned to mixed use are currently vacant, while others contain commercial and reuse of industrial uses. The City approved a density range of 20 to 35 units acre for the West Gateway mixed use area, 20-25 for the Neighborhood Mixed Use areas and a high density of 25 to 40 units per acre for the Downtown Commercial Mixed Use area. At this density, additional housing capacity exists for the approximate 2,000 units. It is the City's expectation and goal that a mixture of housing prices will be built within the mixed-use districts affordable to lower income households as well as moderate and above moderate income households.

Approximately 50 acres of mixed use could be available for reuse over the long term as some heavy industrial land uses transition out of the downtown area and east of downtown and the upper floors of some of the commercial structures in the Downtown Commercial Mixed Use (DMU) designation are rehabilitated and re-established as viable housing units.

DMU – Downtown Mixed Use

The Downtown Mixed Use (DMU) zoning district provides for a vertical or horizontal combination of commercial and residential uses around the central core of the community. The designation is intended to encourage ground floor, pedestrian friendly, retail sales and service uses with upper floors of office and residential uses. The DMU District should be a unique destination with restaurants, theaters, boutique retail, neighborhood convenience stores, restaurants, regionally-oriented specialty stores, medical and dental offices, and residential densities of 25 to 40 units per net acre. Drive-through windows and outdoor car, truck and auto sales and auto repair are prohibited.

NMU – Neighborhood Mixed Use

The Neighborhood Mixed Use (NMU) zoning district provides for pedestrian-oriented commercial uses of low intensity and of a neighborhood character

which serves the convenience retail and service needs of nearby residents and high-density residential at densities of 25 to 35 units per net acre. The neighborhood shopping centers accommodated by this zoning district typically have anchor market and drug stores, with supporting neighborhood-related convenience businesses.

WG – West Gateway

The West Gateway (WG) mixed-use zoning district provides for a series of parcels with neighborhood commercial and multi-family residential uses as a retail-oriented entry boulevard at the west entrance to the City of Hollister near the San Benito River. The designation is intended to provide convenience services to regional traffic on Highway 156, encourage community shopping, retail and offices with medium to high density residential uses at a density of 20 to 35 units per net acre outside of downtown Hollister.

2.2.1. (1) Density

Residential densities permitted in the City of Hollister are identified in the General Plan. The Zoning Code is a tool that implements the densities identified in the General Plan Land Use Chapter. They provide the basis for land use decision in the City as well as the specific requirements and standards. The City recently adopted a new Zoning Code, Title 17 to implement the densities in the General Plan, bringing consistency between the two documents.

The General Plan contains a range of densities providing for rural residential uses in the Residential Estate district density of 1 unit per 5 net acres in the lower end of the residential densities, up to a 12 to 35 units per net acre in the High Density Residential district. The General Plan also makes provision for mixed use opportunities, home office uses, open space requirements, and contains specific plan overlay designations. All land uses in the General Plan are implemented in the new Zoning Code.

It should be noted that the City Council directed staff to revisit the off-street parking standards for multi-family residences to provide a better correlation between the number of bedrooms in a multi-family unit and the parking requirements. It is possible that the spaces required for studios and one-bedroom units will be reduced while spaces for units with three or more bedrooms will be increased.

**TABLE 2.2-44
RESIDENTIAL ZONING, USEABLE DENSITY, OFF-STREET PARKING**

Zoning Category	Minimum Lot Size	Density Type	Density Per Acre	Off-Street Parking
RE	5 Acre	Very Low	1 unit/5 acre	2 spaces
R1	5500	Low	1 unit/8 acre	2 Spaces
R2	8000	Medium	8-12 units/acre	A
R3	5000	Medium	8-12 units/acre	A
R4	8000	High	12-35 units/acre	A
R1 /LPZ	2,500 with a performance agreement	Average Low	1- 8 units/acre	2/ A
R3 /MPZ	2,500 . with a performance agreement	Average Medium	8 – 12 units/acre	2/ A
R4/HPZ	7,000	Average High	12-35 units/acre	A
HO	Same as Old Town	Medium	8-12 units/acre	A (One per resident or per 250 square feet for commercial office uses)
OT (M)	5000	Medium	8-12 units/acre	A
(H)	5,500	High	12-35 units/acre	
RWF	6,000		2-22	2-3 car garage
DMU	7,500	High	25-40 units/acre	A
NMU	7,500	High	25-35 units/acre	A
WG	7,500	Medium/High	20-35 units/acre	A

Source: Hollister Title 17

Note
A: Two spaces per unit; 0.50 space per unit for guest parking.

Second Units

A second unit dwelling is a small accessory unit in addition to the main house (dwelling unit) on a single lot. Sixteen accessory units were approved during the last program period but only five were built due to the moratorium. The City anticipates the construction approximately 50 second units during the 2009-2014 Housing Element period. The estimate is based on the level of interest demonstrated to the Planning Department, and on the desire and willingness of the City to encourage such units. The likelihood of the units serving lower income needs is high based on inquiries of property owners interested in housing an elderly family member because of high health care costs and limited assisted living facilities in the city, but cannot be demonstrated by past activity. Therefore, the units may serve moderate and above moderate income needs as well. Second units have the following benefits:

- (1) They provide flexibility for the owner of the main home, an apartment for elderly parents, or a source of income;
- (2) When rented they can help make home-ownership affordable for the owner of the home;
- (3) They can provide flexibility for seniors or other homeowners who rent their primary dwelling because they still want to live in the same neighborhood;
- (4) They provide lower cost housing because the units tend to be small and there are no extra land costs;
- (5) They typically provide lower cost housing for younger households (under 34) and seniors (65 years plus), and these are the demographic groups that have been identified as having the most significant low-income housing need in Hollister;
- (6) They are easier to fit into existing neighborhoods since they are small and are often attached to the main house.

In accordance with State law AB 1866, Section 17.22.040 Accessory Secondary Residential uses of the City Zoning Ordinance (part of Title 17, adopted in December, 2008), permits second units in any zoning districts where single family residences are allowed as a permitted land use and eliminates the need for a Conditional Use permit or any other discretionary review. The Planning Commission has directed staff to initiate a zoning ordinance amendment that would allow a second unit in the multi-family and mixed use zoning districts where a single family residence has been lawfully established prior to the adoption of the current zoning ordinances, the standards of a second unit can be met and there is not an opportunity for lot consolidation. Second units must conform to all zoning and development standards of the applicable district, identified at Section 17.22.040 of Title 17, excluding density standards. The ordinance requires a minimum lot size of 7,000 square feet for interior lots and 8,000 square feet for knuckle or corner lots. The maximum floor area of a second unit is 850 square feet, and the minimum floor area is 150square feet. Off-street parking is required for the second unit, in addition to the parking requirement for the main dwelling unit. The second unit is required to be architecturally compatible with the main unit, but the process is now a ministerial process.

In order to overcome the burdensome process of abating illegal second units, and face the possibility of eliminating an important source of affordable housing, the City approved what has come to be known as an "amnesty program" for such units. Under Section 17.22.040 of Title 17, Accessory Secondary Residential Structures, through an administrate permit only process, are allowed to be converted from an illegal structure, to a conforming legal unit. New second units are of course subject to regular building permit processing and complying with standards for an accessory second unit.

The City of Hollister expects second units to continue to be an important source of affordable housing. Market rents for such units are typically affordable to low and moderate-income families.

2.2.N. INFRASTRUCTURE AVAILABILITY

2.2.n(1) Wastewater Service and Capacity

The City currently treats domestic and industrial wastewater at its new regional immersed membrane bioreactor (MBR) wastewater treatment plant located on the west side of the City, on the north side of San Juan Hollister Road. The plant has a design capacity of 5.0 million gallons per day (MGD) and produces effluent that meets Title 22 requirements for disinfected tertiary recycled water.

In accordance with the implementation Long Term Wastewater Management Plan (LTWMP) filed with the Water Quality Control Board, the City is currently implementing a long-term program of phased improvements for the disposal and reuse of reclaimed wastewater including spray fields, non-potable irrigation for landscaping, and certain agricultural uses. The new facility expands the City's ability to provide wastewater treatment service for the next 10 years, with an additional five years of expansion possible with the expansion of the membrane biological reactor. The City will continue to implement efforts to improve water quality and also to implement the water conservation measures.

2.2.N(2) Water Service and Capacity

The City of Hollister is served by the City water system in the west and central area and the Sunnyslope County Water District (SCWD) is the east and southeast portion of the City. All the development approved or proposed in the City is located within these established service areas and will be served by these agencies; therefore, water capacity is sufficient to serve the identified needs within the City. In accordance with the implementation measures in the General Plan Community Services and Facilities Element, the City will continue to work to identify additional water sources in order to provide adequate water for the additional housing units projected in the City's Sphere of Influence as the City expands beyond its current City limits.

The City of Hollister entered into a Memorandum of Understanding with San Benito County, and the San Benito County Water District to address the provision of adequate water supplies in the City and surrounding areas. The two primary measures are to implement a Groundwater Management Plan and to develop and implement the Hollister Urban Water (and Wastewater) Master Plan. Development of future sources and delivery mechanisms, paid for by future development projects, will ensure adequate water supplies through this Housing Element period. Measures being considered by the City to ensure adequate future water supplies include the following:

- Purchase additional water supplies
- Obtaining access to water from the San Felipe Project
- Percolation of the San Felipe Project water into the underlying aquifers
- Monitoring groundwater levels and the quantities of water recharged to and extracted from the underlying sub-basins

3. HOUSING ELEMENT

- Sharing water resources data between the agencies to allow for responsible decisions regarding water supply development and land use planning
- Developing policies regarding the provision of service to community water systems and small local water systems.

SECTION 2.2.b

2.2.b 2009-2014 SITES INVENTORY

In addressing the estimated housing needs identified in the Housing Needs Assessment section of this housing element, State law requires that this element contain *“An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment...”* This inventory must identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of housing types for households of all income levels.

According to the State Department of Housing and Community Development’s *“Housing Resources – Q&A,”* - *“The analysis of the relationship of suitable sites to zoning provides a means for determining the realistic number of dwelling units that could actually be constructed on those sites within the current planning period of the housing element. The analysis should also identify the zones the locality believes can accommodate its share of the regional housing needs for all income levels.”*

The City of Hollister falls under the jurisdiction of, the San Benito County Council of Governments (San Benito COG) for purposes of the RHNA determination. San Benito County COG uses a predominately demographic formula to allocate the regional housing needs among the incorporated cities (Hollister and San Juan Batista) and the unincorporated county. This process results in a Regional Housing Needs Assessment (RHNA) and the number reflected in that assessment must be considered when the housing element is prepared.

2.2.a. (2) Hollister RHNA (2007-2014)

The Council of San Benito County Governments Regional Housing Needs Allocation for the period January 1, 2007 to August 31, 2014 determined that 10.9 percent of the households in Hollister are classified as extremely low-income, 10.9 percent very low-income, 17.4 percent low income, 19.7 percent moderate income and 41.1 percent above moderate income. In establishing the percentage of extremely low income households, following the California HCD recommended methodology, half of the very low income (10.9 percent), have been estimated to be extremely low income; therefore, 10.9 percent make up the very low income category.

For the period 2007 to 2014, the City of Hollister has been given a construction need of 3,049 new housing units. The specific need by income group is depicted in the following table. Construction need is annualized for each of the seven years of the planning period.

**TABLE 2.2-45
HOLLISTER REGIONAL ALLOCATION (2007-2014)**

Income Group/Percent of Households	Construction Need	Units Approved	Remaining Need
Extremely Low -10.9%	331	56	275
Very Low - 10.9%	331	57	274
Low - 17.4%	533	113	420
Moderate - 19.7%	602	368	234
Above Moderate - 41.1%	1,252	611	641
Total	3,049	1,205	1,844
Source: San Benito COG, HCD/City of Hollister			

2.2.b (2). RHNA Allocations and Sites Inventory

As part of the 2003-2008 Housing Element update, and subsequent revisions, an analysis of the residential development potential of vacant land in the City of Hollister was completed during 2008. Appendix E provides detailed tables by Zoning District, of the availability of residentially zoned land throughout the City of Hollister that is being utilized to satisfy the RHNA. The City is able to count units approved but not yet built, towards the 2007-2014 RHNA. Currently there is a total of 1184 allocations that were approved with prior growth management programs.

As indicated in Table 2.2-45, 208 of these pending or approved units are in the lower income categories, 971 are in the moderate and above moderate categories. The City will utilize a combination of these approved pending units, vacant land, and some downtown vacant parcels and reuse of upper floors of existing buildings to demonstrate the City's ability to meet the 2007-2014 RHNA goals.

2.2.b.(2a) Income Group Goals

For purposes of this submittal, the City has taken into account the requirement to address all income categories, including the extremely low income category. The purpose of the income group goals is to ensure that each jurisdiction within a COG attains its share of the state housing goal without any relative disproportionate distribution of household income groups. The following household income groups are defined according to the HUD Median Family Income (MFI) and Income Limits Table: Extremely Low Income (less than 30% of MFI); Very Low (less than 50 percent of MFI), Low (between 50-80 percent of MFI), Moderate (between 80-120 percent of MFI) and Above Moderate (greater than 120 percent of AMI).

2.2.b(3)) Allocated Development Projects

The following projects comprising 1179 units have growth management allocations that predate Measure U and are expected to be constructed during the program period.

- Vista Meadows. This approved 72-unit very low-income senior housing project is being developed by South County Housing, one of the largest non-profit developers of affordable housing in the region. The 3-acre site is located on Park Street and is zoned R-3S.
- Westside Apartments. This approved project is being developed by Community Services Development Corporation (CSDC), a non-profit affordable housing developer located in Hollister. This project included a combination approvals: 1) lot consolidation; 2) transfer of 11 allocations for housing from a code enforcement action; 3) demolition/relocation of residents at Palm Court and reconstruction of eleven existing rental units on a nearby one-acre site 4) new construction of eleven units. The project is located between on Westside Boulevard, Line Street and San Juan Road that is zoned R-3. The development will serve 22 large low-income families and 11 senior apartments. The project will contain 22 three and four-bedroom units, outdoor common space, and a play area for children. The RDA provided a \$1 million low-interest loan to this project.
- Hillview. South County Housing is developing 25 single-family houses for low-income households on this two-acre site on Buena Vista Road. The development density will be 8 units per acre. Homes are expected to be approximately 1,800 square feet with lots sizes ranging from 4,700 square feet to 7,500 square feet. This property is zoned R-1/L -PZ.
- Estancia Senior Village. Warmington homes is developing a planned unit development (PUD) housing project targeted to the senior market on a 24.40-acre site zoned R-3PD. The project will contain 166 market rate units approximately 1,544-to 2,156 square feet in size. Average lot size would be 4,321 square feet at a density of 6.8 units per acre market-rate housing affordable to moderate income households.
- West of Fairview. Award Homes is developing 677 housing units on 125 acres, zoned West Fairview Road District (RWF) in the West of Fairview Specific Plan Area. There will be 517 single-family dwelling units, 100 apartment units with 50 multifamily rental units designated very low-income, 50 multifamily units designated as low-income units and 30 garden homes will be reserved for moderate-income households.
- Intravia Duplex. A duplex has been approved on San Benito Street in the Central Residential (RD) District. The two market-rate units will be affordable to moderate-income households.
- Brigantino Unit 3. An approved 14 lots subdivision for market rate homes with an average density of 6.5 units per acre
- Walnut Park 13. A 20 units subdivision for market rate homes with single family lots and an average density of 7.69 units per acre.
- Market Rate Lots. There are an additional 198 market rate dwelling units that can be constructed from the following developments: Anderson Homes - 6; Eden West - 55; Hillock Ranch - 41; La Baig 45, Las Brisas - Phases 7 & 8 - 17; Palmtag Subdivision - 2; Walnut Park Units 8A and 8B - 32.

2.2.b(4) Available sites from lands zoned for residential and mixed use in the City limits. Development Projects

The City is able to demonstrate site suitability, according to HCD guidelines (further discussion below), and has a goal and a vision for a mixture of income levels across zoning districts in the City. City policies have been adopted to support this vision. Based on the needs in the City, and staff's knowledge of the types of projects the City will support, as well as interest from developers in affordable and other mixed use projects, the City has determined that all income categories, including the lower income categories, are needed in each of the identified zoning districts. Recent development interest also supports the development of units in both the lower income and higher income categories in the higher density districts. Units across income categories have been identified according to local development history and the vision for the City's future development pattern, including an adaptive reuse program in the downtown areas.

The residential land inventory primarily includes lands with potential for new construction from vacant parcels and a small number of re-use properties. Potential also exists for additional residential infill development in remaining residential zoning districts. Table 2.2-46 below lists the residential and mixed use districts based on the type of new construction that could occur in the future. Appendix F includes a list of lots in the Old Town zoning district with potential for infill development. All listed zoning districts are located within the existing Hollister City limits. Most of the potential units, for purposes of this housing element are considered in reserve, and should be considered a reserve, particularly the infill, with the exception of the Old Town Infill shown in Table 3 below.

Table 2.2-46
Hollister Surplus Sites for Future Residential Development

	Vacant sites for new construction	Small scale infill potential	Re-use
R1		•	
R2		•	
R3		•	
R4		•	
RWF	• ¹		
Old Town (M)		•	
Old Town (H)		•	
Home Office		•	
R-1 L/PZ	•		
R-3 M/PZ	•		
R-4 H/PZ	•		
Neighborhood Mixed Use	•	•	•
West Gateway Mixed Use	•		
Downtown Commercial Mixed Use		•	•

2.2.c. LAND SUITABILITY

Table B-2, a five (5) page table in Appendix E, contains acreage totals across zoning districts, as well as detailed parcel information; the data includes real parcels with acreage, the General Plan designation, the Zoning (as per Ordinance 1038), densities allowed, calculated capacities, etc. The identified sites are available for immediate development from a zoning, public service and development standpoint.

The zoning map and sites are accordance with the General Plan standards. The City has satisfied the requirement for zoned sites. A Technical Appendix to this Housing Element contains a copy of the Zoning Ordinance and Zoning Map, Resolutions, and other supporting material. Sites are consistent with the General Plan densities, and in compliance with the default densities prescribed by HCD.

¹ The approved 667 West of Fairview Development Agreement is located in this zoning district so the acreage of this land is not included the Appendix B inventory as a vacant site.

Mixed Use- HDR

All parcels zoned Mixed Use HDR included in the inventory are larger than 3.1 acres; lot consolidation is not necessary to facilitate development of these parcels. The sites are large enough to support projects serving the housing needs of the community, including the ability to serve lower income households, without the need for lot consolidation techniques or parcel assemblage.

The City of Hollister will allow commercial and residential development in the mixed use districts. There are about 67 acres of vacant land in the West Gateway and Neighborhood Mixed Use districts. The City has taken the following steps in order to provide further assurance that mixed use districts will yield residential development.

- The City Council placed on the November 2007 ballot a measure to exempt from residential growth management allocations development in the Downtown Commercial Mixed Use district .
- Growth management allocations specifically for the mixed use districts to stimulate construction of multi-family housing in the districts.
- Housing Element Program H.Y. requires annual monitoring of development in mixed use areas. If 50% of the inventory in a geographic area is developed at a rate with less than 1 dwelling units per 5,000 sq. ft. of commercial space, then the City of Hollister is required to rezone vacant land in the area to the R4 zoning district based on a standard to assure construction of a minimum of 1 dwelling units per 5,000 square feet of commercial space that has been developed since 2005.

Measure Y Exemption Area (Downtown Commercial Mixed Use (DMU-HDR) and Neighborhood Mixed Use:

Projected unit capacities for sites in the Measure Y Exemption area are based on a combination of vacant ground floor infill parcels, on demolition and accompanying re-use of property, and on re-use of the upper level commercial buildings in the historic downtown core. A residential allocation is not required for residential development in this exemption area. The City's identified capacity of additional units is based on a combination of factors - 1) voluntary inventory of resources in the downtown completed by the City in the summer of 2008; 2) additional building with unsurveyed upper floors; 3) infill sites including vacant lots and underutilized parking lots and parking areas on private property. There are an estimated 160 sites that are available for immediate development. The City has projected units in the 800 to 1000 square foot range, typically studios and one bedrooms, (see Exhibits C-1 and C-2, site specific inventory sheets in Appendix E) demonstrating the City's efforts in determining capacity in the Measure Y Exemption area. Implementation of the newly adopted Mixed Use standards in Hollister will act as a draw to incentivize the completion of projects in the DMU-HDR and NMU - HDR districts, carrying out the City's vision for the downtown core. Application of the appropriate historical building codes will further ease the development of properties that would otherwise face higher costs due to stricter code requirements.

Housing Element Program H. II requires annual outreach with property owners in the Measure Y exemption area to educate property owners about opportunities for re-use

and development. Program H.L. requires an amendment to the mixed use standards in the Measure Y exemption area to increase densities on smaller lots with upper floors of residential housing.

As future reserve (not included in this inventory, but shown in the table with an equivalent of "0" units) are some re-use sites primarily associated with a former tar paper facility and an existing cannery in the DMU-HDR and NMU sub-table. The timing for re-use of these properties is uncertain so the City did not include these sites as new construction sites. The City also proposed to use a calculated realistic capacity based on the minimum allowable density in the mixed use district. Going forward, the City will continue to monitor new construction to assure that acreage will be utilized for residential.

Old Town Infill:

The Old Town zoning district comprises much of the original housing stock in the City of Hollister. The City developed slowly over time with the piecemeal development of individual lots. Remaining in the Old Town zoning district are some large lots with the potential for infill development. A number of vacant lots are also present. Development would need to be oriented on the property and designed to retain the historic character of this area of the City. The zoning ordinance includes design and architectural standards for the Old Town zoning district insuring proper design and orientation. Issuance of a building permit for a single family residence is ministerial, not subject to any discretionary action. Architectural review for Old Town standards would be incorporated into any Site and Architectural Review for a multi-family units in the Old Town district.

High Density Residential- R4-H/PZ

Future development of parcels zoned R4-H/PZ have been calculated based on the lowest allowable density for a total of 417 units, with one exception, a site on North Street. As a general rule, the City of Hollister has a generally flat topography; however, the North Street site is located on a small hill known as Park Hill. The combination of possible fault hazard non-buildable areas and site slopes act as a constraint to development at this location. Therefore, the City has reduced the realistic capacity at this location by approximately 45% percent (the calculation based on 12 UPA, the minimum density, would otherwise be 270 units). This reduction makes allowance for the necessary infrastructure and site standards (increased setbacks and reduced heights) due to the slope, and seismic preparedness requirements such as more stringent construction standards leading to higher costs of construction, and site separation requirements, leading to reduced densities.

The City's new Zoning Ordinance, along with the Density Bonus program will serve to incentivize development of the R4-H/PZ parcels. Several parcels in the High Density (R4-H/PZ) district are 1 acre or smaller; therefore, the City encourages lot consolidation to permit such development to advance. The City's support of the consolidation of small lots into larger parcels is evidenced by a recent demolish and rebuild project, the Westside Apartments. By consolidating several smaller lots into one, the project utilized a density transfer, gaining 11 additional units. A direct result of one of the

3. HOUSING ELEMENT

City's goals, the new Zoning Ordinance supports interconnections between properties, resulting in increased projects involving combined lots. Flexible zoning standards such as stepped back second floors, reduced setbacks, and parking placed behind the building also provide additional opportunities to develop such projects. All parcels in the R4-H/PZ district are eligible to participate in the City's Density Bonus Program. The City's Growth Management allocation program awards points for projects that provide a density mix with housing for lower income groups, including extremely low income households, acting to further incentive and encourage higher density projects, including projects involving lot consolidation.

In accordance with Government Code Section 65583.2 (c)(3)(B), the City is able to demonstrate the suitability of the higher density zones for the development of affordable housing. In other words, the higher density zones are suitable to provide housing for lower income households, thereby meeting the "appropriate zoning" test as outlined in the HUD guidelines. The "default density" for Hollister, i.e. San Benito County, is 20 units per acre. The R4, High Density Residential District allows for densities from 12 to 35 units per acre; the Mixed Use West Gateway, (WG) (R4-H/PZ) allows densities from 20 to 35 units per acre, and the Mixed Use (MU-HDR) district and the DMU, Downtown Mixed Use District allow for densities of 25-35 units per acre.

The High Density Residential Zoning Districts have the lowest cost of construction per unit and would therefore offer some built in market incentives for very low and low-income construction, although the City's development strategy includes moderate and above moderate income units in the high density residential districts as well. In anticipation of their development strategy in the mixed use districts, the City has made further reductions in the calculated capacity of the mixed use zones (equating to 50% of the total acreage). Calculations based strictly on the minimum allowable densities in the mixed use zones would allow for a *greater* number of units; however, the City is mandating a reduction to allow for commercial development in addition to residential development. Calculations are shown in Table B-2 of Appendix E.

Realistic density calculations for the Low Density (single family 1-6 UPA) and Medium Density (8-16 UPA), zoned land also rely on the lowest allowable density, as per the zoning. However, for Low Density, an adjustment has been made based on the historical development densities of single family projects recently completed in Hollister (see Exhibit B-3 of Appendix E). Therefore, the realistic capacity has been calculated based on 5 units per acre for the LDR parcels, rather than the lowest allowable density of 1 unit per acre, as per the zoning. The City fully expects these development trends to continue on future projects, and to be a realistic predictor of land development patterns as the City continues to grow.

In order to provide further assurance that mixed use districts will yield residential development, the City requires annual monitoring of development in mixed use areas. Additionally, the City will initiate a rezoning to high density residential if commercial development constrain residential growth.

For the 2007-2014 RHNA period, the City is not relying on non-vacant (mixed use reuse) sites, nor is the City relying on areas in the Sphere of Influence. Therefore, no

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schedule of annexations or other programs specific to annexation have been included with this submittal.

Annexations in Hollister were stalled between about 1995 and 2001 because there was not a property tax exchange agreement between the City of Hollister and San Benito County. Most residential annexations were stalled again between 2002 and December of 2008 due to the sewer moratorium. The Hollister City Council will consider a Resolution acknowledging the need for future annexations for the following reasons:

- Eliminate existing unincorporated islands.
- Establish an inventory of residential sites for future Housing Element Revisions.
- Reduce annexation processing costs for property owners with coordinated annexations requests on multiple properties.

In conclusion, all parcels in the sites inventory are located within the City limits of Hollister, with utility service and other city services readily available, subject to the extension of service laterals only. The majority of sites in the inventory are vacant and free of encumbrances that would limit the properties' ability to be developed; remaining non-vacant parcels are noted as such. All non-vacant parcels noted in the inventory have been accounted for, with the appropriate consistent methodology applied, either to utilize no unit calculation for the parcels where appropriate (five parcels in the WG-HDR), either for upper floor units in the Downtown Commercial (City survey), or non-vacant parcels in the Mixed Use (HDR) under the control of the Redevelopment Agency (and currently undergoing environmental review for demolition). The newly adopted Zoning Ordinance identifies flexible development standards to facilitate development of infill (non-vacant) parcels. The Growth Management rating scale will also serve to incentivize and act as a catalyst to encourage the adaptive reuse of such non-vacant infill parcels.

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RHNA Sites; Units Summary

TABLE 2.247

	Remaining Need	LDR	MDR	HDR	Old Town Infill ²	Vacant Mixed Use (HDR)	West Gateway	Measure Y Exemption Area	Total Capacity	Remaining Need
AM	601	261	328	25	14	50	50	10	738	0
Mod	295	154	104	25	15	50	120	40	508	0
Low	434	0	120	100	15	50	180	40	505	0
VLI	267	0	0	115	6	50	150	35	341	0
ELI	268	0	0	152	4	15	60	35	281	0
	1,865	415	552	417	54	215	560	160	2,373	0

² Miscellaneous infill in the R1, R2, R3, R4, Home Office and Old Town zoning districts.

2.3.1 CONSTRAINTS, EFFORTS, AND OPPORTUNITIES

The purpose of this chapter is to analyze potential and actual governmental and non-governmental constraints on the maintenance, improvement and development of housing in the City of Hollister. A discussion of Hollister's efforts to remove constraints and to promote energy conservation is included.

2.3.a. GOVERNMENTAL CONSTRAINTS

2.3.a(1) Federal, State, and Local Policy

Actions or policies of governmental agencies, whether involved directly or indirectly in the housing market, can impact the ability of the development community to provide adequate housing to meet consumer demands. For example, the impact of federal monetary policies and the budgeting and funding policies of a variety of departments can either stimulate or depress various aspects of the housing industry. Local or state government compliance or the enactment of sanctions (sewer connection or growth moratoriums) for noncompliance with the federal Clean Air and Water Pollution Control Acts can impact all types of development.

State agencies and local government compliance with statutes can complicate the development of housing. Statutes such as the California Environmental Quality Act (CEQA) and sections of the Government Code relating to rezoning and General Plan Amendment procedures can also act to prolong the review and approval of development proposals by local governments. In many instances, compliance with these mandates establishes time constraints that cannot be altered by local governments.

Local governments exercise a number of regulatory and approval powers which directly impact residential development within their respective jurisdictional boundaries. These powers establish the location, intensity, and type of units that may or may not be developed. The City of Hollister's General Plan, zoning regulations, project review and approval procedures, development and processing fees, utility infrastructure, public service capabilities, and development attitudes all play important roles in determining the cost and availability of housing opportunities in Hollister.

2.3.a(2) Land Use Regulations

The General Plan is the primary land use policy document. This policy document not only establishes the location and amount of land that will be allocated to residential development, but also establishes the intensity of development (in terms of unit densities and total number of units) that will be permitted. While nearly all components or elements of the General Plan contain goals and policies that influence residential development, it is the Land Use Element that has the most direct influence.

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The City regulates the use of land within the city limits through the Hollister General Plan, Municipal Code, and the Uniform Building Code. The Zoning Ordinance, establishes development standards, intensity of development, minimum site requirements consistent with the 2005-2023 Hollister General Plan. These regulations are considered necessary to protect and preserve the existing housing stock and to ensure the orderly development of available land.

The 2005-2023 General Plan envisions a more compact development pattern than the prior 1999-2005 General Plan; a smaller planning area, increased residential densities, and the addition of new mixed use land use designations to areas that were previously commercial or industrial land use designations. Various residential zones have been established along with a minimum set of requirements for densities, setbacks, lot coverage, and parking. In addressing the requirements of Government Code Section 65583(a), the City has developed standards that do not impede the City's ability to meet maximum allowable densities. For example, in the higher density residential zones and the mixed use zones, the standards provide for allowable heights up to 45 feet and 50 feet, respectively, permitting up to four (4) stories. The City also has mechanisms in place to allow flexible setbacks and reduced parking requirements for projects meeting affordability levels.

The following summary is provided to highlight certain aspects of the Zoning Code, but is not meant to be an all-inclusive description of the zoning districts.

A summary of the City's residential districts and mixed use districts, including housing and permit requirements is detailed in Table 48, on page 3.70 of Section 2.2.a of the Housing Element.. A narrative summary of the Residential zoning districts is also provided in Section 2.2.a. Housing is permitted by right for construction of single family homes on existing lots of record in the Residential Estate and R1 Low Density Residential zoning districts.. In mixed use commercial districts and residential zoning districts, new construction of mixed use or multi-family development is subject to Site and Architectural Review. Further discussion of General Plan designations and Zoning districts, including off-street parking and other development standards, is provided in Section 2.2a.

Residential zones: According to the Zoning Code most new residential development in a residential zoning district will be located in a Performance Overlay Zone, which applies to all vacant residential lands in Hollister. The intent of the overlay district is to use flexible standards to foster development that meets the range of densities for the applicable General Plan land use designation to implement policies and programs in the General Plan. Programs and policies call for a variety of lot sizes and housing types in all districts, pedestrian connections between properties, solar access, clustered development to meet the average General Plan density for the property while avoiding development in areas with environmental constraints (e.g. flood, seismic, liquefaction, and habitat); or providing on-site amenities (trail easements, recreation), and to protect the character and scale of existing residential neighborhoods.

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Lot sizes may be varied in the Performance Overlay zone with a performance agreement to a minimum of 2,500 square feet where the base General Plan designation is Low Density Residential or Medium Density Residential. In the High Density General Plan designation, the lot size may be reduced to less than 2,500 square feet and the building height may be increased to 75 feet. A variety of housing types, setbacks and densities are allowed within a development with a performance agreement provided that the development density is consistent with the applicable General Plan land use designation for the property. Lot size is required to be similar to existing residential development unless the lot is within a zoning district and General Plan designation with a different density or transitional setbacks and landscaping are incorporated into the project design to assure that the new development is of a scale and character that is compatible with the existing residential neighborhood.

An average development density of one to eight units per net acre is now required in the R1 L/PZ overlay zone with a targeted density of at least six units per net acre. An average development density of eight to 12 units per acre is required in the R3 M/PZ overlay zone and an average of 12 to 35 units per acre is required in the R4 H/PZ overlay zone. The overlay zoning will provide an incentive for property owners to include a variety of housing types with new residential development.

Infill: The City is planning for infill residential development in established residential districts, especially in the Old Town zoning districts. Chapter 4, of the Zoning Ordinance establishes minimum lot sizes ranging from one housing unit per 5 net acres in the Residential Estates district to 40 units per acre in the Downtown Mixed Use districts. The R1 low density district requires 5,500 square feet and 6,500 square feet for corner units, the R2 medium density residential district requires 8,000 square feet per unit, the R3 medium density multi-family district and Old Town medium density residential district require a minimum of 5,000 square feet per unit, 8,000 square feet for two units, and 11,000 square feet for three units and 3,600 square feet for each additional unit. The R4 medium density high density district requires a minimum of 5,000 square feet for a one unit, 8,000 square feet for two units, and 9,000 square feet for three units 1,200 square feet for each additional unit.

Mixed Use: In addition, to the residential districts, housing is allowed in the new mixed use Neighborhood Mixed Use (25- 35 du/ac), West Gateway (20-35 du/ac) and Downtown Commercial Mixed Use (25 – 40 du/ac) zoning districts.

The recently adopted zoning ordinance provides additional areas for housing development and for the expansion in the supply of affordable housing units. In addition, amendments to the Zoning Map have been made to provide additional land for medium and high-density multi-family housing, and high density residential land uses in areas formerly zoned solely for commercial or industrial use in the new mixed-use districts.

2.3.a(3) Local Entitlement Fees and Exactions

Development Fees

Local fees are necessary to process development applications; however, particularly after Proposition 13, cities must be concerned with the need to recover processing costs. Line item fees related to processing, inspection and installation services are limited by California law to the cost of the agencies performing these services. Table 2.3-1 shows typical planning and entitlement fees in Hollister, with a focus on residential fees.

In addition to planning fees, Hollister has established a number of development impact fees in order to pay for the increased demand for City facilities such as waste water treatment, water, park development, storm drains, sewer lines, police and fire protection, and transportation improvements. Hollister has seen a growing need for infrastructure improvements, and costs to develop the City's infrastructure and expand City services have been substantial.

Like all local governments, Hollister also charges plan check fees for building, electrical, plumbing, and mechanical permits. Plan check fees based on project evaluation according to the Uniform Building Code are calculated at 65% of the prescribed building permit fee. An overall comparison of the total fees charged for a single-family and multi-family project is shown in Table 2.3-2. Per unit fees for a typical multi-family development are \$32,788 for a 1,000 square foot unit; fees for a 2,000 square foot single family home are \$51,196. Impact fees have increased to pay for necessary infrastructure, particularly the new wastewater treatment plant. Hollister's development fees are passed on to project proponents; the schedule is appropriate to recapture the costs of services provided and maintain the standards set by the community. In order to encourage the development of affordable housing, the City has approved lower traffic and sewer impact fees for multi-family development.

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**TABLE 2.3-1
PLANNING FEES**

Fees	Cost
Administrative Permit Categories	
Single Issue Determination Letter	\$360
Determination Letter	\$467
Home Occupation	\$85
Wall Sign	\$25
Temporary Use Permit	\$425
Administrative Permit Review	\$425
Flood Zone Determination	\$48
Variance	\$812
Zoning Use Determination	\$608
Environmental Review	
Consultant Prepared EIR and Supplement	Hourly Rate w/Deposit
City Prepared EIR & Supplement	19%
Consultant Prepared Expanded Environmental Assessment	Hourly Rate w/Deposit
City Prepared Expanded Environmental Assessment	19%
City Prepared Negative Declaration	Hourly Rate w/\$250 Deposit
General Plan Amendment	
GP Amendment	Hourly Rate w/\$4,000 Deposit
GP Text Amendment	Hourly Rate w/\$2,000 Deposit
General Plan Update	
Single Family Residential (244 units)	\$159/unit
Multiple Family Residential (30 units)	\$86/unit
Commercial/Industrial (50 Acres)	\$207/acre
Prezoning/Rezoning	
Prezoning/Rezoning, 5 acres or less	\$2,150
Prezoning/Rezoning, 5-10 acres	\$3,150
Prezoning/Rezoning, more than 10 acres	Hourly Rate w/\$3,000 Deposit and \$600 GP fee
Certificate of Compliance	Recording Fees

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**Table 2.3-1
Planning Fees
(Continued)**

Site and Architectural Review	
Residential	\$870
Commercial	\$1,098
Industrial	\$1,098
Revision	50% of base fee
Res. Building Add.	\$646
Industrial Building Add.	\$646
Free Standing Sign Review	\$646
Project Approval Extension	50% of base fee
Administrative Sign Review	\$25
Conditional Use Permit-Regular CUP	\$1098
Conditional Use Permit-Approval Extension	50% of base fee
Subdivision Applications	
Minor Sub (4 lots or less)	Hourly Rate w/Deposit
Major Sub (5 lots or more)	Hourly Rate w/Deposit
Planned Development Permit (Condo)	Hourly Rate w/Deposit
Source: City of Hollister Development Services, Service Application Fees, September, 2004.	

TABLE 2.3-2
DEVELOPMENT FEES FOR SINGLE-FAMILY AND MULTI-FAMILY DWELLINGS

Fee Category	Single Family Unit*	Multifamily Unit**
Square Feet	2,000	1,000
Tentative Map	\$97	\$80
Final Map	\$44	\$44
Site and Architectural Review	\$50	\$50
Building Permit	\$794	\$496
Plan Check	\$516	\$322
Plumbing, Electrical and Mechanical Permits	\$266	\$211
S.M.I.P.	\$14	\$7
General Plan Fee	\$574	\$269
Sub-Total	\$2,355	\$1,479
Impact Fees:		
Water	\$2,220	\$2,220
Traffic	\$23,853	\$11,927
Storm Drainage	\$2,620	\$2,620
East Area Storm Drainage ¹	\$1,360	\$0.2512/ sq ft. of net lot area
Sewer Treatment	\$14,258	\$10,133
Sewer Collection	\$2,240	\$2,240
Police	\$340	\$340
Fire	\$460	\$460
Park Development	\$1,123	\$751
Jail and Juvenile Hall	\$367	\$367
Sub-Total	\$48,841	\$31,309
Grand Total	\$51,196	\$32,788
*Based on a 25-unit subdivision on 4 acres. (General Plan, 2005-Fees Updated July, 2008)		
**Based on a 1 acre multifamily project with 25 units. (Development Impact Fee Schedule, Updated July, 2008)		

Hollister has updated traffic, sewer and water connection fees between 2004 and 2008. The City's planning fees are comparable to other jurisdictions in San Benito County, (See Table 2.3-3) Fees are set up so that applications/projects with administrative approval have a lower cost; projects with a higher dollar cost are identified as major projects, and are therefore, charged a higher fee. As a general rule, these fees do not act as a constraint against building affordable housing, as they are set so as to recapture the cost of processing. Table 2.3-3 shows the fees charged for typical entitlements in the City of Hollister and neighboring jurisdictions.

¹ This fee applies to portions of eastern Hollister in the Santa Ana Creek Drainage.

TABLE 2.3-3
PLANNING APPLICATION DEPOSITS – SURROUNDING JURISDICTIONS

Jurisdiction	Conditional Use Permit	General Plan Amendment	Tentative Parcel Map	Variance
Hollister	\$1098	Hourly Rate w/Deposit	\$1,875 plus \$22/lot (5 lots or more)	\$812
San Juan Batista	\$2500 (New) \$1000 (Amendment)	\$2500	\$1500 (Plus City Engineer Rate)	\$1500
San Benito County	\$3,513	\$1,330 deposit (+ \$25/acre +\$100 per hr.)	\$1,875 plus \$22/lot (5 lots or more)	\$1275
Sources: City of Hollister (September, 2004) City of San Juan Batista (December, 2007) San Benito County (February 2009)				

Fees, land dedications, or improvements are also required in most instances to provide an adequate supply of public parkland and to provide necessary public works infrastructure (streets, sewers, and storm drains) to support the new development. Such costs are charged to the developer; however, costs are ultimately passed to the consumer in the form of higher home prices or rents.

The significance of the necessary public works infrastructure improvements in determining final costs varies greatly from project to project. The improvements are dependent on the amount of existing improvements and nature of the project. However, developers are required to install improvements necessary to serve their project in order to not overburden the City's systems, and continue to provide for future growth.

The San Benito Joint Unified School District serves the City of Hollister. The School District assesses a school impact fee on all new residential, and commercial development. As of 2008, multi-family and single-family fees are \$2.63 per square-foot and Commercial/Industrial fees are 0.42 per square foot.

In some instances, developers must weigh the benefits of building smaller units at the maximum allowable density or fewer larger units at a density less than the maximum. Either solution can have different impacts on the housing market. Governmental laws and regulations have the potential to increase development costs in any city. Requirements which relate to site coverage, landscaping, parking, and open space within developments can indirectly increase costs by limiting the number of dwelling units which can occupy a given piece of land. In Hollister, the City Council has determined that required improvements are necessary to maintain a uniform high level of quality community-wide. If the City maintains certainty about their development requirements and they are applied uniformly, the requirements function more as an expected development standard, rather than existing as a constraint.

Building a higher number of small units can reduce costs and provide additional housing opportunities for smaller households but does not accommodate the needs of larger families. Larger units can be made available to families, but because of their size and lower density, the cost of these units is higher.

Other development and construction standards can also impact housing costs. Such standards may include the incorporation of additional design treatments (architectural details or trim, special building materials, landscaping, and textured paving) to improve the aesthetics of the development. Other standards included in the Uniform Building Code lists regulations regarding noise transmission and energy conservation. While some of these features (interior and exterior design treatments) are included by the developer to help sell the product in the competitive market, some features (e.g., energy conservation regulations) may actually reduce monthly living expenses by cutting heating and cooling costs in the long term.

2.3.a(4) Processing and Permit Procedures

Like all jurisdictions, the City of Hollister has procedures and regulations for project review and approval, some of which are mandated by State law. Virtually all development projects require some type of formal local approval and environmental assessment, many of which require public review and noticing and public hearings. A project proposed in Hollister is typically involved in some combination of the following review processes: environmental review; site and architectural review; subdivision maps; rezonings; residential unit allocation; use permits; and building permits.

The complexity of the project and state and local requirements determine the cost and timing of the development review process. Steps in the development review process, such as General Plan amendments and Pre-Zoning, the filing of tentative and final subdivision maps, and environmental impact review, are required by State law.

Processes have been adopted in order to ensure quality site and architectural design and to promote the general health and safety of the community. However, the City recognizes that undue delays in processing project applications increases development costs and should be avoided.

The City's Residential Unit Allocation process prioritizes applications and grants development approval under the growth management ordinance. This additional level of review adds approximately 8 months to the process on the front end for both single-family and multi-family projects. All residential projects in the downtown area are exempt from the Growth Management allocation process, so the project would not be subject to the additional 8 months.

As part of the review process, use permits are needed for residential care facilities and supportive housing with eight or more occupants. The City also requires Site and Architectural Review for new construction of multi-family residential and mixed use buildings. Site and Architectural Review is required to review traffic

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congestion and safety, multi-modal facilities, drainage, orientation of buildings in relation to surrounding land uses, design and landscaping.

Average processing times for various planning activities in the City of Hollister are shown in Table 2.3-4. A conditional use permit and site and architectural review application process takes on average, about 45 to 60 days if no environmental review is required. The City requires the plans to be prepared by a design professional. Tentative map review often requires environmental review, which extends the processing time by about 90 to 120 days. The City of Hollister encourages pre-application meetings to help streamline the application processing time and costs by clarifying General Plan and zoning issues and resolving particular site development issues early on in the application process.

Once a formal application is filed, the City reviews the application for completeness and notifies the applicant within 30 days if the proposed plans are complete or require additional information.

An environmental evaluation is then completed, which dictates the appropriate environmental document to generate and certify (Categorical Exemption, EIR, Negative Declaration). Staff then reviews the application, analyzes the design, makes recommendations, and formulates conditions of approval to be considered by the Planning Commission. A public notice is then sent to property owners within 300 feet of the project site, and a public meeting is held with the Planning Commission to review the application within 60 days of the date the application is deemed to be complete. The Planning Commission may approve, conditionally approve, or deny a request. The Planning Commission's action may be appealed to the City Council.

Processing times for single family and multi-family developments are similar. Many permits are processed concurrently at the discretion of the applicant.

Initiation of a General Plan Amendment by a property owner must first be submitted to the Planning Commission and City Council for pre-approval and then submitted as a formal application. The additional processing step adds approximately 4 to 5 months to the review time but is considered necessary to adequately plan for the needs of large housing developments, whether single-family or multi-family projects.

Hollister also encourages the joint processing of related applications for a single project. As an example, a rezone petition may be reviewed in conjunction with the required site plan, and tentative tract map. Such procedures save time, money, and effort for both the public and private sector and could decrease overall costs for the developer. The City reviews both single-family and multi-family developments following the same procedure. The review process for single-family development on raw land may include, but is not limited to, Annexation, General Plan Amendment and mapping, and will typically take approximately 18 months with another eight (8) months for the Growth Management allocation process. Review and approval of multi-family residential development generally follows the same process, but would typically not require a subdivision map. The

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approval will take approximately 18 months, with another eight (8) months for the Growth Management allocation process.

TABLE 2.3-4
DEVELOPMENT REVIEW AND PROCESSING PROCEDURES/TIMEFRAME

Action/Request	Processing Time	Comments
Environmental Review	0 to 12 Months	Adds no time if project receives a negative declaration; adds 12months if an EIR is required.
CEQA Exemption	60 Days or Less	
Negative Declaration/Mitigated Negative Declaration	90 to 120 Days	
EIR	12 Months	Requires public hearing and approval by the Planning Commission.
General Plan Amendment	0 to 24 Months	18 months if project receives a Negative Declaration; up to 2 years if an EIR is required.
Rezoning	0 to 12 Months	8-10 months for a Negative Declaration; 12 months for projects requiring an EIR.
Tentative Map and if applicable performance agreement	50 days	50 days of complete application.
Final or Parcel Map	0 to 24 Months	Up to 2 years.
Residential Unit Allocation	8 Months	8 Months
Site and Architectural Review	No more than 90 days.	Process usually takes 60 days or less.
Variances	60 Days	60 Days
Building Permit Review	2 Weeks	2 Weeks
Source: City of Hollister 2005 General Plan, and Planning Department.		

The amount of time required to process permits in Hollister is not considered a significant constraint to the development of housing. The City has taken constructive steps to help facilitate new development and improve the efficiency of the review process, and will continue to do so. The City has identified Implementation Program H.D to complete a feasibility study to determine other efficiencies the City may be able to implement, including additional permit streamlining and fee reductions.

Measure U Growth Initiative

In 2002, the voters of the City of Hollister approved a growth management initiative. The Declaration of Intent at Section 16.64.010 provides the following stated intents of the initiative:

- To encourage a rate of residential growth within the City which will not exceed the City's ability to provide adequate and efficient public services,

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including sewer, water, police, fire, streets, parks, general administration, and maintenance of public facilities, or the ability of the local economy, including the City's financial capacity, to support such growth, maintain and improve the quality of the environment considering the City's natural setting, including water courses, viable agricultural/open lands, recreational, historic and scenic areas;

- To encourage and promote a balanced community with adequate housing to meet the needs of local employment and residents;
- To encourage the construction of an appropriate share of the regional need for housing;
- To encourage and promote housing programs and activities to enable the City to meet the needs of all economic segments of the community, including the provision of adequate levels of rental housing; and
- Provide and maintain a sound economic base for the City.

Under the Measure U Ordinance, the City is able to award allocations of 244 units/building permits per year, of which 40 units are reserved for low and very low income housing. Measure U will expire in January, 2012. It should be noted that Section 16.64.30 specifically identifies residential projects that are exempted from the Growth management Program. These exemptions include the following.

1. Replacement residential units or the relocation of an existing dwelling unit to a legal lot of record;
2. Single family residential units to be constructed on single legal lots of record in existence prior to July 1, 2000; and
3. Secondary residential units, i.e. second units, subject to the provision of Section 17.44.180 of the code.

In addition, Section 16.64.025 provides the following definitions of types of residential projects that are covered by the growth management ordinance:

1. Affordable Housing: housing units affordable to families with incomes at or below one hundred twenty (120) percent of the county median income, including very low, low, medium and moderate income units;
2. Below market rate housing: housing units with prices or rental levels established at less than market rate, and affordable to families with incomes below one-hundred twenty (120) percent of the county median income;
3. Market rate housing: housing units selling or renting for prices or levels set by the housing market;
4. Senior Housing: housing that is available only to seniors, in accordance with state and federal housing laws and guidelines; and
5. Small residential project: a residential project consisting of no more than eight single family residential units or lots, or a subdivision of land into no more than eight lots.

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Measure Y Exemptions: The City Council placed Measure Y on the November 2008 ballot to amend Measure U to exempt from the growth management program residential development projects in the 148.5 acre downtown area of Hollister (See Figure 1). The voters passed Measure Y. The approved residential exemption area encompasses all of the Downtown Commercial Mixed Use zoning district and lands in the Neighborhood Mixed Use zoning district. An estimated 100 to 160 units in these two (2) districts will be generated by 2014.

Measure U Allocations during the program period: The Hollister City Council approved a rating scale in December 2008 for a three-year allocation based on the Measure U growth rates. However, based on an existing ordinance and a performance agreement, the first year allocation is reduced by 23 units. The purpose of the three-year allocation is to streamline the permit review process, approve an ample supply of allocations for a variety of housing densities and types and ensure enough allocations for viable projects. The City Council will allocate 720 building units for calendar years 2008, 2009, and 2010 in July of 2009. The City Council has determined that the priority for allocations for 2008, 2009 and 2010 should be distributed by General Plan designations, with the exception of small projects of no more than eight (8) total units. The priorities have been established as follows:

Land Use Priority	Allocations	Percent
Affordable	120*	17%
Mixed Use Commercial	100	14%
West Gateway	50	7%
High and medium Density Residential	260	37%
Low Density Residential	160	22%
Small Projects	30	3
Total	720	100%

*Affordable units are defined as those restricted to Low and Very Low income, for sale or rental, and can be provided in any of the General Plan Designations.

Growth Management Scoring and Rating: For the 2008, 2009 and 2010 allocation period the rating criteria has been developed to prioritize infill development where services are available and (5) categories: a) Conformance with Land Use Goals, General Plan compliance and the provision of Critical Infrastructure; b) satisfying the need for balanced Transportation/Circulation; c) the utilization of Green Building Concepts; d) providing for a Housing Density Mix; and e) an ample use of high quality Design Elements (please see Rating Criteria under Exhibit A). The guiding principle for each of the five categories is to provide amenities/elements above and beyond the minimum necessary to satisfy the established requirement. This process will facilitate scoring and ranking of proposed projects. The City of Hollister Planning Commission will make recommendation to the City Council for building unit allocations based on the ranking.

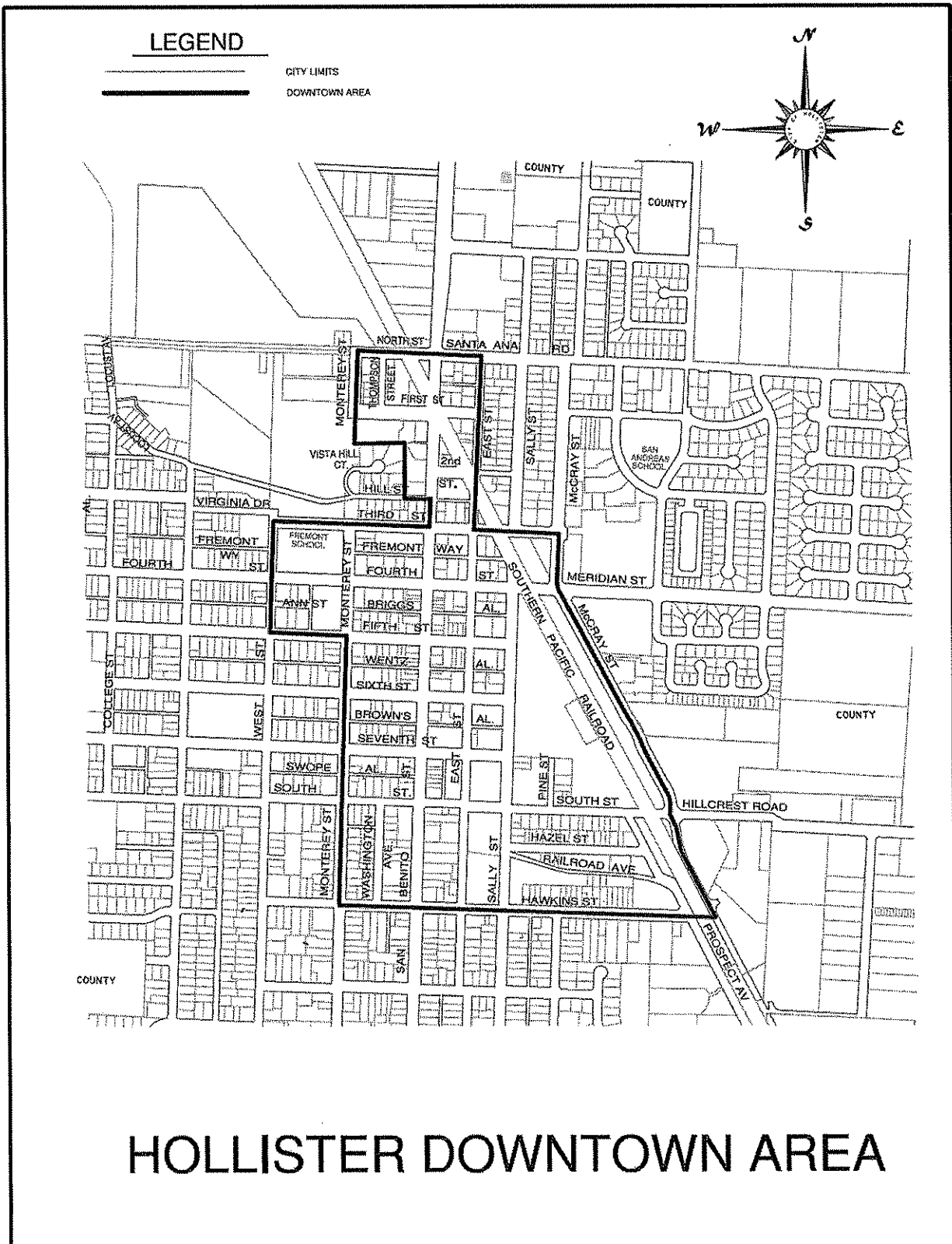
Applicants that are awarded allocations will be required to enter into a performance agreement. The agreement will require the applicant to pursue development in a timely manner or the allocations will be re-issued to another party. The City of Hollister will re-assess and amend as needed the approved 2008-2010 growth management scoring and rating program prior to accepting applications for 288 allocations for the 2011-2012 period.

Allowable Units under Measure U during the Housing Element Period: As illustrated in Table 2.3-5, the City will realize sufficient Growth Management Allocations and accompanying building permits to be able to construct the required number of units according to the RHNA. While the City is restricted to a maximum of 240 allocations/permits through the year 2012; thereafter the General Plan provides that, post sunset of Measure U, a sufficient number of units (254 annually), plus exempt units in the downtown infill area, and those from second unit construction, will yield a total of 3,102 total allocations available during the 2009-2014 Housing Element period.

**TABLE 2.3-5
GROWTH ALLOCATIONS/BUILDING PERMITS AVAILABLE DURING 2009-2014
HOUSING ELEMENT PERIOD**

Allocation/Permit Source	Allocations
Existing Allocations/Permits (from past years)	1,184
2008-2010 Measure U Allocations (120 affordable min.)	720
2011-2012 Measure U Allocations (80 affordable min.)	480
Measure Y Exemption (Downtown Infill)	160
Second Units (exempt)	50
2013-2014 Post Measure U Allocations (254 /year s per GP)	508
Total	3,102
RHNA requirement	3,049
Surplus Allocations/permits 2009-2014	74

Figure 1, Measure Y Exemption Area



Approximately 57% of the allocations are prioritized for multi-family and mixed use designations, helping to reduce an existing shortage of multi-family housing. In the last two years of Measure U, a second round allocation for 488 units will occur for the years 2011 and 2012.

Post Measure Use Growth Management: Program: H.N. requires a study in 2011 to assess whether or not a growth management program is warranted when Measure U expires based on type and prices of housing generated between 2009 and 2011. If it is determined that a growth management program is warranted, Program H.N. includes possible types of exemptions (e.g. 100% affordable, certain types of infill, downtown, mixed use) and requires any growth program to be consistent with general plan growth rate of at least 254 dwelling units per year, as shown in Table LU1 of the General Plan Land Use and Community Design Element. If development continues at the projected rate shown in Table LU1 of the City of Hollister General Plan, approximately 508 new residences are realized based on 254 dwelling units per year.

2.3.a(5) Building Codes and Code Enforcement

The City of Hollister has adopted the California Building Code (2007) part of the Uniform Building Code that sets minimum standards for residential development and all other structures. The standards may add material and labor costs, but are accepted state-wide as necessary minimum standards of safety. They do not pose a special constraint to the production of housing, but rather, protect the community.

Building code compliance for pre-existing units is limited to the enforcement of health and safety standards, rather than new construction building codes. The City's Code Enforcement Department will continue to abate, on a complaint basis, illegal second units that pose significant life-endangering conditions. In these cases, the City enforces an ordinance that requires owners of illegal units to provide three months rent to displaced renters.

As part of the City's ongoing program to encourage legalization of illegal units where life safety is not an issue, the City, through the RDA will offer rehabilitation loans to homeowners to make necessary repairs and modifications to illegal units to encourage conformance with the City's new second unit development standards, subject to the availability of Affordable Housing funds.

The City of Hollister has experienced a high per capita foreclosure rate recently. The Council approved a vacant house ordinance to avoid public nuisance and potential destruction of property associated with vacated homes. Members of the City Council, Redevelopment Agency staff in partnership with San Benito County staff, continue to participate in town hall meetings for educational outreach to the community about how foreclosures can be avoided.

The City maintains an ongoing program of inspection and enforcement with its Code Enforcement officer and temporary staff. Redevelopment and Code

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Enforcement personnel staff work as partners in the process to identify and convert substandard and dilapidated housing conditions. The Code Enforcement division conducted an average of 42 inspections for “substandard housing” violations over the past four (4) years; activity is currently done on a complaint basis. As funding permits, enforcement related to dilapidated housing within the City will be done on a proactive basis in an effort to reduce the number of dilapidated and unsafe structures in the City. One full time officer and one part time person work through the Community Development Department handling Code Enforcement Violations. The City has a past practice of referring residential rehabilitation violations to the Redevelopment Agency for potential housing rehabilitation assistance and will continue to do so. The City has identified the need to implement proactive code enforcement, as funding permits, to further enhance the City’s ability to maintain the affordable housing stock.

2.3.a(6) On- and Off-Site Improvements

For residential projects, the City requires both on- and off-site improvements. These include: curb/gutter and drainage facilities, sidewalks, paved streets, landscaping and water and sewer service. Such improvements are required as a condition of the subdivision map, or if a map is not required, improvements are required as part of the development project. These on- and off-site improvements promote the health, safety and general welfare of the public.

Curbs/gutters and drainage facilities direct storm and runoff water out of residential developments. City roadways are required to be paved. Pavement creates an all-weather roadway, facilitates roadway drainage, and reduces dust. Pavement also produces a high-speed circulation system and facilitates relatively safe traffic movement. Roadways are classified by the City according to traffic needs, as follows:

- Urban Arterial Highway: highway with 4 lanes and left turn pockets
- Major Highway: highway with 4 lanes and left turn pockets
- Secondary Highway: highway with 4 lanes
- Collector: highway with 2 lanes

Arterials, highways, and collector streets are designated in the Hollister General Plan Circulation Element according to existing and projected needs. Developers are responsible for the development of roadways associated with their residential project. Development impact fees are in place to pay development’s fair share of costs for infrastructure needs, including traffic, fire, parks and recreation, water, sewer, and other public facilities.

2.3.a(7) Wastewater Treatment

The City has put in place a Long-term Wastewater Management Plan (LTWMP), and has completed construction of a new state-of-the-art wastewater treatment plant and reclamation facility, that began operation in September, 2008. A more detailed discussion of the City’s new wastewater treatment plant can be found in Section 2.2 of this document.

2.3.a.(8) Off-Street Parking/Garages

Off Street Parking

Detached single family homes are generally required to provide two spaces per dwelling unit. The provision of off-street parking for multiple family uses is determined by the use. The City is currently reviewing the parking standards for multi-family housing to link the standard to number of bedrooms. Parking based on the number of bedrooms would reduce off-street parking requirements for studios and one bedroom apartments. The City will continue to implement recently adopted measures to reduce the required parking freeing up more land area for the provision of housing, particularly in the downtown and mixed use zones. Measures include creating shared parking where feasible, utilizing compact spaces, and providing a waiver of the parking requirement for low income housing. Off-street parking requirements for second units include development of a total of four spaces for both the primary and secondary unit, although the planning commission may authorize a total of three spaces if one of the units has one bedroom or less and require one off-street parking space in setback areas per studio unit. Off-street parking requirements and other development standards are included in Section 2.2; for reference the Residential Sections of the Zoning Ordinance are also included as Appendix H to the housing element.

Garages

The City of Hollister encourages minimizing the visual impact of garages and/or covered carports. As stated in the Hollister General Plan, garages and driveways are to be located to the side of buildings and recess, or along rear alleyways or below the building in some higher density developments. The City discourages home designs in which garages dominate the public façade of the home.

2.3.a.(9) Open Space

Residential

Residential development should include open space as an integral part of a project or with the dedication of land for open space, and identify limitations to uses in those areas, such as restrictions on ornamental landscaping, structures and fences.

Private/Public Open Space

Through the development review process, the City of Hollister General Plan states that the City will preserve open space areas and encourage the dedication of open space areas that are adjacent to public open space. In addition, when potential open space is not contiguous to existing public open space, the preference is to retain the open space in private ownership. When portions of a site are retained as private open space, the City ensures the preservation and management of that open space through appropriate means, including required maintenance, as determined through development review. The City will work with other public and non-profit agencies to identify sources for acquisition and maintenance of open space. A minimum of 450 square feet of usable private yard area per unit is also required.

2.3.a(10) Persons with Disabilities

The City of Hollister conscientiously and specifically, implements and monitors compliance with SB 520 (Article 10) in the review of its General Plan, zoning ordinances, development codes, construction and re-construction regulations, and in the development of multi-family housing.

In order to provide exceptions in zoning and land use for housing persons with disabilities, the City has adopted written procedures as of October, 2008 to handle written land use and zoning decisions and procedures for formal requests for "Reasonable Accommodation" related to siting, development, funding and use of housing for person with disabilities. A copy of the Resolution and written procedures is included as G to this housing element. It is incumbent on the City to strive to make sure the health and safety of adjacent residents are not jeopardized, by granting reasonable accommodation exceptions.

The zoning ordinance requires submittal of a vehicular and pedestrian plan for new development with requirements for American with Disabilities Act accessible connections between sidewalks, buildings and adjoining properties, shaded (deciduous acceptable) corridors, separation of paths from internal roads and contrasting paving (no paint) where crossing through an internal road cannot be avoided.

Supportive multi-family or single-family housing for the disabled is specifically permitted in any residential zone that permits multi-family complexes. Depending on the size of the development, they are required to provide handicapped parking spaces. The City is flexible and works with the developers of special needs housing and will reduce parking requirements if the applicant can demonstrate a reduced need for parking. The new Zoning Code, Title 17 (see Table 17.04-1) establishes a residential care facility for seven (7) or fewer occupants as a permitted use in all residential districts, and for eight (8) or more, permitted with a Use Permit in the High Density districts.

2.3.b. NON-GOVERNMENTAL CONSTRAINTS

The ability to address the needs of underserved citizens of the City of Hollister must overcome a variety of obstacles, many of which are beyond the scope of municipal government. The responsibility for identifying, responding to, and mitigating these needs rests with the agencies providing services. Funding limitations exist at all levels.

Market forces influence the stability of housing units and rental prices. This includes existing and new dwelling units. While actions within the public sector play important parts in determining the cost of housing, pricing in the private sector is still the primary determinant of residential markets due to development costs (e.g., land, construction materials, financing) and consumer preference.

State law requires an analysis of potential and actual governmental and non-governmental constraints to the maintenance, improvement, and development of housing

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for all income levels. The Housing Element must identify ways, if any, to reduce or overcome these constraints in order to meet the City's housing needs.

2.3.b(1) Land and Construction Costs

A number of costs are involved in the development of housing. These include the cost of land, materials, labor, financing, fees and associated development requirements, sales and marketing costs, and profit. Because many of these costs are determined by economic markets, it is difficult for a local government to mitigate or reduce them. A jurisdiction's land use policies, however, do directly influence the value of developable land.

The City of Hollister has not approved a subdivision with one acre lots. Larger lots of one-half and 1 acre or more are found outside of the city's limits in the unincorporated area of San Benito County. As an example of 2005 land costs, a developer of a 297-acre subdivision containing 35 lots, improved with undergrounded utilities, is currently marketing 1+ acre lots for \$320,000 to \$335,000. These are intended to be improved with high-end homes that are affordable to above-moderate incomes.

Developable land under the City's control is currently subjected to the General Plan, Zoning, and other development policy. In 2005, according to local realtors, a lot zoned R-1 with a lot size between 4,500 and 6,500 square feet typically sold between \$150,000 and \$160,000.

According to a local engineer, R-1 lots may be valued around \$100,00 to \$125,000 but the real estate market is in uncharted waters. Local land values have been suppressed by the high number of foreclosures in Hollister². Lenders are repossessing homes faster than they are being sold causing declining market values in the City of Hollister. As of January 1st, 2009 the median home sales price for San Benito County has dropped 35.19% from 2007 to \$259,250.00 increasing the number of negative equity at-risk homeowners. According to the San Benito County Assessors' Office, some older homes on 6,000 square foot lots in Hollister are now selling for \$150,000 - \$180,000, which is close to the value of a vacant lot.

Construction costs vary depending upon the type of materials and finishes used. According to local developers, hard construction costs for housing typically range from \$60 to \$70 per square foot. Including the cost of land, site improvements, and development fees, a typical house will cost approximately \$200 per sq. ft. or, for example, \$400,000 for a 2,000 sq. ft. single-family unit. However, a local engineer has stated that due to the current market conditions, a 2000 square foot home may sell for \$350,000.

Other than owner-builders, there may be little incentive to construct market rate homes for re-sale until land values stabilize in the first part of the program period.

² Based on rough estimates from the City of Hollister Code Enforcement between 3000 and 5000 foreclosures have occurred in Hollister over the past couple of years.

The City of Hollister is seeking partnerships with the Redevelopment Agency, the San Benito County Housing Coordinator, San Benito County, non-profits and Economic Stimulus funding to address the foreclosure issues in order to avoid additional foreclosures and stabilize land values

2.3.b(2) Availability of Financing

An important factor in determining the availability of affordable homeownership opportunities is the availability of financing at reasonable interest rates. Interest rates are determined by the market and are affected by the general health of the economy, Federal Reserve Board policy, the current and expected rates of inflation, Federal fiscal policy, and other factors. In recent years, interest rates have been at historical lows. Currently 30-year conventional mortgage rates are at around 6%; lower interest rates are available for a variety of financing options.

It has become increasingly difficult for homebuyers without sufficient assets or home equity to qualify for financing without above-moderate incomes. Even those with above moderate incomes are finding it more difficult to obtain financing. The median price for a house in Hollister was \$426,275 in May 2008. Assuming a 10% down payment and an interest rate of 6% with a 30 year fixed loan, the monthly payment of the median priced home would be \$3,011. A monthly payment of \$3,011 would require a household income of \$120,000 to qualify for the loan. The median household income for a family of four is currently \$67,100.

2.3.b(3) Condominium Conversions

As the availability of land decreases and the cost of land increases, there is a trend by developers to actively pursue the conversion of rental stock into more affordable homeownership condominium units. Condominium conversions can become one of the ways the City of Hollister can meet the demand for first time home buyer housing. However, while it does address the demand for homeownership, the conversions can remove necessary rental housing targeted to those households in the moderate incomes who may not be able to afford to buy a house.

The City adopted and will continue to enforce the condominium conversion ordinance No. 1022 in 2007 that links the rate of conversion to the generation of new multi-family housing rental stock. Until the number of multi-family units in the housing stock increases to above 20%, the conversion rate will be limited to 25% of the yearly average of multi-family rental units constructed in the previous to years. The conversion rate increases to 50% when the multi-family stock increases to above 20% of the citywide housing stocks.

City recognizes that some of the housing stock that may be converted would otherwise be affordable to tenants with low or moderate income, thus removing viable rental stock from the City's rental market. The City has approved projects that will generate 205 affordable rental units (Vista Meadows, Westside Apartments and Award Homes). In 2009, the City of Hollister will approve

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allocations for up to 709 dwelling units for 2008, 2009 and 2010. The approved rating scale priorities allocate 58% of the dwelling units to General Plan designations with medium to high density residential densities, which will help encourage the construction of additional multi-family rental housing stock.

Furthermore, the City will continue to seek assistance of other affordable housing developers, primarily through partnerships, in the rehabilitation and preservation of these units while establishing affordability covenants to ensure the affordability of the project over time.

2.3.c. CONSTRAINT REMOVAL EFFORTS

Cost implications for developers of low-income housing can be significant when any increase inhibits the ability to provide units affordable to their clients. To offset developer's costs, fees may be lowered or eliminated by the Department Director on a case by case basis. The City continues to participate in funding programs to facilitate the development of affordable housing; the City will also actively seek funding from all sources to facilitate affordable housing development. Concurrent processing and development processing assistance for affordable projects will assist the development community to reduce costs and time associated with the approval process.

The City continues to offer cost reductions to developers, primarily through the activity of the Hollister Redevelopment Agency. The Agency offers cost savings, including financing options for affordable housing, through its Hollister Second Mortgage Program, the Owner Occupied Rehabilitation Program, and is implementing new programs as part of this housing element to increase the supply and availability of affordable housing opportunities. New programs include Tenant Based Rental Assistance, and the Foreclosed Home Reactivation Program to return foreclosed homes to the active market. The City has also participated either directly or indirectly in the following efforts to reduce other potential constraints on housing development in the City.

2.3.c(1) Traffic

Hollister's tremendous growth in the 1990's has impacted the City's ability to maintain roadways with acceptable levels of service. State Highway 25, the City's major east-west two-lane corridor that currently runs through the downtown area, has become increasingly dangerous and congested. Historical records indicate seventy collisions on Highway 25 annually.

In response to the well documented safety concerns, Highway 25 is currently being rerouted around the downtown section of Hollister with a recently completed "Highway 25 By-Pass". The bypass is anticipated to provide a north-south corridor connecting commuters to residential areas and reduce traffic congestion in the downtown area, improve safety conditions in and around downtown and help foster a transition to a mixed use downtown. The City of Hollister Redevelopment Agency partnered with the Hollister Downtown Association to fund a strategic plan for downtown Hollister that was completed in

2008. The plan includes concepts for a post-bypass pedestrian oriented corridor on Main Street.

At the west entrance to Hollister, the Redevelopment Agency has prioritized a project to construct streetscape, traffic calming, landscaping and lighting in the West Gateway mixed use district.

The San Benito County Council of Governments is preparing a Pedestrian and Bicycle Master Plan. Gaps in connectivity for pedestrian and bicycle corridors have been identified as an issue with public outreach for the Master Plan and the Housing Element Update at community meetings.

Partnerships between the city, local organizations, the redevelopment agency, the San Benito County Council of Governments for a combination of pedestrian, parking, and streetscape improvements should enhance the economic vitality of the downtown, the West Gateway, and make the area more desirable neighborhood for future residents and visitors, thereby mitigating what has otherwise been a constraint on development in Hollister.

2.3.c(2) Fee Reductions and Other Considerations

Cost implications for developers of low-income housing can be significant when any increase inhibits the ability to provide units affordable to their clients. To offset development costs, fees may be lowered by the City. Further, cost reductions can occur in the form of increased densities and concessions such as flexibility in site development standards and zoning code requirements, and financial aid from the Redevelopment Agency. The City continues to allow the deferment of impact fees until time of Certificate of Occupancy. The City will continue to employ constraint removal efforts to facilitate increased opportunities for the development of affordable housing.

2.3.c(3) Wastewater Treatment Capacity

The City has put in place a Long-term Wastewater Management Plan (LTWMP), and has completed construction of a new state-of-the-art wastewater treatment plant and reclamation facility, that began operation in September, 2008 that has capacity for the 2023 build-out of the general plan and expansion capacity.

2.3.c(4) Density Bonus Program

The City adopted as part of the revised Title 17 a Density Bonus program in accordance with the current provisions of State law. The density bonus provisions will encourage an increase in the supply of housing for lower income groups, including very low and low income households. Well designed housing is important for all economic segments of the population. The entire Density Bonus program is contained as Appendix J to this document. The program contains provision to allow bonuses of at least 25 percent for projects containing affordable

units, and provides other incentives/concessions, including, but not limited to the following:

- Up to 15% reduction in landscaping requirements;
- Reduction in required off-street parking;
- Waiver of fees;
- Approval of mixed use buildings or development in conjunction with the residential development, if non-residential land uses will reduce the cost of the residential development, and if the City finds that the proposed non-residential uses are compatible with the residential development and with existing or planned development in the area where the proposed residential development will be located; and
- Up to 15% reduction in lot dimensions.

2.3.c(5) Growth Management Rating Scale

As discussed above, beginning on page 11, the City has adopted the Growth Management Rating Scale, which will allow the City to score and rank development projects. The rating scale for the years 2008- 2010 supports the construction of high density and mixed use housing. Measure Y, passed in December, 2008, exempts new units in the Downtown Commercial Mixed-Use District and portions of the Neighborhood Mixed Use district east of downtown from the allocation program.

2.3.c(6) Mixed Use Zoning

As part of Title 17, the City adopted Mixed Use development standards to make possible affordable housing projects as part of a mixture of other uses, such as second and third story residential uses over commercial uses and offices on the ground floor. Overall, the Mixed Use, with flexible zoning standards, such as height bonuses, alternative parking arrangements, and other City concessions, the City will have at its disposal another tool to encourage and facilitate the development of housing affordable to all income groups including lower income.

2.3.c(7) Second Units

As discussed at length in Section 2.2 (page 76) of this housing element, the City has completely revised its regulation of second units to make eliminate the requirement for a conditional use permit and allow second units in the City with a building permit if performance standards can be met, thereby creating another opportunity for affordable housing opportunities in the City.

The City does not allow construction of single family residences and in-turn accessory second units in mixed use and the R3, R4 zoning districts in order to assure that land is not underdeveloped. A Program (Section 4.0 #) recommends amending the zoning ordinance to allow accessory second units with a building permit in the R3, R4 and Mixed Use zoning districts if there is evidence that an existing single family residence has been constructed on a lot that is less than 8,000 square feet in size, there is not potential for lot

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consolidation and performance standards for the accessory second unit can be met.

2.3.d. OPPORTUNITIES FOR ENERGY CONSERVATION

Housing elements are required to identify opportunities for energy conservation. The increasing cost of energy highlights the importance of reducing energy use by homeowners. Energy conservation reduces monthly housing costs and helps to ease the energy shortage. Programs that promote the use of renewable energy technologies can further minimize the use of nonrenewable resources.

The City of Hollister seeks to encourage energy conservation for homeowners. Title 24 energy conservation requirements are required for all new construction. The standards may increase initial construction costs, but over time result in energy savings and reduce utility costs for residents.

Conservation can be accomplished by reducing the use of energy-consuming items, or by physically modifying existing structures and land uses. The California Energy Commission first adopted energy conservation standards for new construction in 1978. These standards, outlined in Title 24 of the California Administrative Code, contain specifications relating to insulation, glazing, heating and cooling systems, water heaters, swimming pool heaters, and several other items. Specific design provisions differ throughout the State depending upon local temperature conditions.

The City of Hollister promotes the following to encourage conservation:

- LEED (Leadership in Energy and Environmental Design) Program Green Building Rating System is a voluntary, consensus-based national standard for developing high-performance, sustainable buildings. LEED provides a complete framework for assessing building performance and meeting sustainability goals. Based on well-founded scientific standards, LEED emphasizes state of the art strategies for sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality. LEED recognizes achievements and promotes expertise in green building through a comprehensive system offering project certification, professional accreditation and training.
- PG&E. PG&E sponsors a variety of programs designed to encourage energy-efficiency by consumers and the building industry. The company sponsors a comprehensive rebate program for qualifying ENERGY STAR labeled products, which include home appliances, home audio equipment, office equipment, compact fluorescent lightbulbs (CFLs), lighting fixtures, air conditioners, furnaces, windows and roofing products. Through the California ENERGY STAR Homes Program, builders may qualify for rebates up to \$700 per single-family home and \$150 per multi-family unit by incorporating energy-efficient features into new residences. To qualify for the incentives, builders must be accepted into the program before beginning construction and exceed Title 24 requirements by at least 15 percent. PG&E also provides a recycling program for old, energy

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inefficient refrigerators and offers a \$35 incentive, free pick-up and environmentally-safe disposal.

SECTION 3.0

HOUSING NEEDS, ISSUES, AND TRENDS

3.1 STATE ISSUES AND POLICIES

On January 1, 2007, the State Legislature amended Article 10.6, reauthorizing the Government Code regarding Housing Elements, first enacted in 1980. By reauthorizing this statute, the legislature continues to find that "the availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order. The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels. Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community..."

A May 22, 2000 update to the statewide (1996-2000) Housing Plan indicates that California may have to accommodate 45 million people by 2020. To meet the enormous needs for housing and other services, the State will have to use all the resources at its disposal.

The five-year housing strategy is intended for the utilization of federal resources toward housing needs in the State. Three broad objectives are identified for the use of federal funds:

- Meeting low-income renters needs
- Meeting low-income homeowners needs
- Meeting the needs of homeless persons and households requiring supportive services

Within the five year strategy is a sub-list of strategies that are intended to address housing as a statewide concern:

- Development of New Housing (assisting local governments in preparing and implementing housing elements of their general plan, expedited permit processing for affordable housing, funding resources, and fostering partnerships between housing providers).
- Preservation of Existing Housing and Neighborhoods (rehabilitation of existing homes, code enforcement, preserving government-assisted housing projects, and mobile home ownership).
- Reduction of Housing Costs (development on surplus and under-utilized land, self-help construction and rehabilitation programs, tax-exempt bonds for development and rehabilitation financing and modular homes, eliminating duplicative environmental review procedures, and revising regulations that add to the cost of housing development).
- Much higher levels of housing construction are needed to adequately house the State's population.

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- High housing cost burdens are increasingly an issue for both owners and renters. The combination of upward price pressure in the housing markets and relatively tight urban housing markets has led to increasing cost burdens, particularly for low-income renter residents.
- In some portions of the State, the level of overcrowding has dramatically increased.
- A substantial portion of affordable rental housing developments statewide are at risk of conversion to market rate use.
- Significant numbers of temporary agricultural workers migrate throughout the State, facing housing challenges that impact their welfare.
- Homeless individuals and households face significant difficulties in obtaining shelter and reintegrating themselves into the broader society.

3.2. TRENDS

The following is a summary of housing trends which emerged or are continuing to emerge in Hollister that will affect the production of housing and other housing related opportunities, including housing rehabilitation, and the provision of services to special needs housing groups over the course of the 2009-2014 Housing Element:

- Over the last Housing Element period, the Hollister Housing Program was effective in establishing a dialogue and setting goals toward meeting the Regional Housing Needs Assessment (RHNA) goals for new construction. The City desires to create a balanced community with housing opportunities for all segments of the population. The City will continue to implement its vision for reinvestment in the downtown in order to revitalize not only the downtown but the entire City; housing is a key component of any revitalization effort. A managed growth approach taking into account the specialized need of Hollister, is of key importance to the community.
- Seven key household trends impacting Hollister's housing stock and the development of new housing are:
 - An increasing need for affordable units of all types in the community, including affordable single family units, and rental units.
 - A continuing demand for farmworker housing.
 - A continued and increasing demand for housing for homeless persons and those threatened with homelessness.
 - An increased supply of affordable rental senior housing.
 - The need for partnerships to facilitate high density residential growth where a range of transportation options are available as well as support services such as child care and after school care.
 - Increased needs for duplexes, condominiums, and apartments to provide increased housing opportunities for all income levels.
 - Shifting commuting patterns as an increasing number of Hollister residents commute to areas outside the County for employment opportunities, and the

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impacts on housing affordability for residents that work in San Benito County where wages are generally lower.

- According to the 2008 determination, 16.7 percent of Hollister's housing is in need of minor repairs, 2.0 percent is in need of moderate repairs, and .01 percent (5 units) is in need of substantial repairs.
- Four projects, with a total of 116 units, are considered "at-risk" of converting to market rate over the next five (5) years. Another 146 units are at a "lower risk" of converting, meaning they may convert to market rate in the next 10 years. The City will continue to monitor "at-risk" units on an annual basis.

3.3. **POLICY GOALS**

The goals, objectives, and programs of the 2009-2014 City of Hollister Housing Element focus on: maintaining and increasing housing affordability; pursuing increased mixed use development opportunities, providing a mix of densities and affordability levels; to encourage and facilitate redevelopment activity, including housing, in the downtown; and continuing the efforts of the Redevelopment Agency to both work independently and through partnerships with non-profit and for-profit affordable housing developers to meet the needs of special needs populations.

The objectives in this update will be quantified to meet the RHNA for the City, as prescribed by San Benito County Council of Governments.

The City of Hollister's housing goals are as follows:

1. Work together to build a sense of community and achieve housing goals.
2. Maintain and enhance existing housing and blend well-designed new housing into neighborhoods and communities.
3. Use land efficiently to encourage a diversity of housing types and to implement "smart" and sustainable development principles.
4. Develop affordable housing opportunities.
5. Provide housing for special needs populations.

3.4. QUANTIFIED OBJECTIVES

The quantified objectives of this Housing Element for new construction, rehabilitation and conservation are included below; anticipated affordable units as a result of the City's Second Mortgage program (HSMP) are also included. The number of units rehabilitated by income category is based on the percentages of units rehabilitated in each income category during the prior housing element period. Current market conditions may limit the City's ability to realize the level of construction shown below in the Quantified Objectives.

**TABLE III-75
QUANTIFIED OBJECTIVES, 2009-2014**

Income Groups	New Construction	Rehabilitation	Conservation	First Time Homebuyer (HSBP)
Extremely Low-Income	247	31		8
Very Low Income	365	45	34	9
Low-Income	490	42	82	8
Moderate-Income	493	37		15
Above-Moderate Income	724	0		
Total	2,319	155	116	40

4.0 HOUSING PROGRAM

4.1 KEY HOUSING STRATEGIES

A. Enhance existing housing and neighborhoods

Hollister's neighborhoods should be preserved and strengthened so that they continue to improve over time. As new housing is developed, the City shall be proactive, so that changes continue to enhance Hollister, making it an ever-increasingly attractive place to live. Design policies for multifamily housing will help to ensure enhancement of neighborhood identity and sense of community so that new housing will have a sensitive transition or scale and compatibility with the surrounding neighborhood.

B. Continue to provide for affordable housing funding

The City's Redevelopment Agency provides low-interest loans for first-time homebuyers for down payment assistance and for low-income residents to rehabilitate their homes for both owners and renters for all ages and seniors. The Redevelopment Agency has also provided funding for several affordable housing developments in Hollister. Redevelopment funding should continue to address the affordable housing needs of the community, especially for lower income households, including extremely low income, who are having the hardest time finding affordable housing in Hollister. Identified redevelopment agency funding levels are subject to Redevelopment Agency Board approval.

C. Foster land for multi-family housing and for housing mixed with non-residential land uses

There is plenty of land available for development in and around Hollister, but most of the existing stock is single family residential. About 75% of the existing housing units are single family detached residential, about 5% is attached and the remaining 20 % is multi-family housing. Forty seven percent of the lands approved or allocated for residential development are single family residential. The City of Hollister recently adopted a new zoning map that reduced the acre of land zoned for single family residential land use from 88% to 71%. Programs the Housing Element need to be developed to foster multi-family housing and mixed use housing so lower-income people can find a place to call home. Mixed-use areas, especially in and around the downtown area, will support multiple City objectives for economic development.

D. Create Partnerships to facilitate effective implementation of affordable housing programs.

Maintain resources for effective partnerships involving neighborhoods, businesses, civic and service organizations, and the County in addressing housing

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needs. Housing policies should be written so that affordable housing is targeted to a variety of economic levels, integrated into projects and dispersed throughout the community.

- E. Strive to ensure a mix of affordability levels within neighborhoods, ideally so that lower income housing is indistinguishable from more expensive housing.

Generate affordable housing with a variety of strategies which may include utilizing the Performance Overlay Zoning District to allow flexible densities to provide a mix of housing types and prices for all income levels, utilizing growth management allocations for 40 affordable units and Redevelopment Agency Housing programs, and may include real estate transaction fees.

- F Address growth and infrastructure needs to be able to meet the City's Regional Housing Needs Allocation

Housing policies must be integrated with related issues such as land use, design, traffic capacity, economic development, adequate infrastructure, and others to ensure a comprehensive approach.

- G. Encourage appropriately designed second units

Second units shall be encouraged as a means of developing small, affordable units throughout the community. Second units can provide a significant source of affordable housing. Often smaller than typical homes, second units can provide housing for younger persons, seniors, single parents, and lower-income people. They can also provide a source of income for the owner of the main home, making housing more affordable for the primary homeowner as well.

4.2 HOUSING ELEMENT GOALS AND POLICIES

State law requires the Housing Element to include quantified objectives for the maximum number of units that can be rehabilitated, conserved, or constructed. Policies and programs establish the strategies to achieve these objectives. The City's quantified objectives are described under each program. Assumptions are based on past program performance, infrastructure constraints, construction trends, land availability, and anticipated future program funding. A timeline and description of the City's housing policies and implementing measures are included in the matrix and organized according to the following goals (See the Appendix for a Summary of Housing Element Programs and Objectives).

- | | |
|---------|---|
| Goal H1 | Work together to build a sense of community and achieve housing goals |
| Goal H2 | Maintain and enhance existing housing and blend well designed new housing into neighborhoods and communities. |

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- | | |
|---------|---|
| Goal H3 | Use land efficiently to encourage a diversity of housing types and to implement “smart” and sustainable development principles. |
| Goal H4 | Develop affordable housing opportunities |
| Goal H5 | Provide housing for special needs populations. |

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Goal H1		Work together to build a sense of community and achieve goals.		
Policies	Lead Responsibility	Time Frame	Implementation Measures	
H1.1: Local Government Leadership: Establish affordable housing as a citywide priority, with local government taking a proactive leadership role in working with community groups and other agencies on identified housing element implementation actions in a timely manner.	Planning Commission and City Council	On-going	Update the Housing Element Regularly [H.V] Prepare information and conduct outreach on housing issues [H.U]	
H1.2: Community Participation in Housing and Land Use Plans: Assure effective and informed public participation from all economic segments of the community in the formulation and review of housing and land use issues, policies, and programs.	Planning Division	2010	Establish partnerships with the community to establish neighborhood associations [H.G] Host an annual community forum for Housing issues in Hollister	
H1.3: Managed Growth that meets Regional Housing Needs Determinations: Manage new growth and assure orderly development of vacant land while expanding public services and infrastructure to meet housing need. Assure that a growth management program does not preclude the City's ability to meet affordable housing goals for lower and moderate-income households.	Planning Division	2013	2008-2010 Allocation: Allocate at least 120 units for affordable housing between for the 2008-2010 allocation period and target 58% of the housing allocations for multi-family and mixed use land use zoning districts. 2011-2012 Allocation. Allocate at least 80 affordable units and 45% of the residential allocations to multi-family and mixed use land use zoning districts. Modify the growth control ordinance after the expiration of Measure U [H.Q]	
H1.4: Timing of Housing and Infrastructure: Continue to support the timing of new housing with needed infrastructure improvements.	Public Works	2011	Expand sewer and water system capacity to meet housing needs [H.I]	

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H1.5: Equal Housing Opportunity: Ensure equal housing opportunities for individuals and families seeking housing in Hollister are not discriminated against on the basis of race, color, religion, marital status, disability, age, sex, family status (due to the presence of children), national origin, or other arbitrary factors, consistent with the Fair Housing Act.	Redevelopment Agency	On-going	Respond to fair housing complaints [H.RR]
	Planning Division and Redevelopment Agency	Ongoing	Disseminate fair housing information [H.EE]
	Redevelopment Agency		
H1.6: Monitoring, Evaluation and Revisions: Establish a regular monitoring and update process to assess housing needs, opportunities, and achievements, and modify policies, programs and resource allocations as needed.	Redevelopment Agency	On-going	Implement monitoring systems [H.Y]
	City Council		Update the Housing Element regularly [H.V]
	Planning		Conduct an annual Housing Element review [H.V]
H1.7: Legislative efforts: Work with other jurisdictions in San Benito County and the surrounding areas to support key legislation that assists cities in providing affordable housing consistent with the General Plan.	Redevelopment Agency	On-going	Prepare information and conduct outreach on housing issues [H.U and H.GG]
Goal H2	Maintain and enhance existing housing and blend well designed new housing into neighborhoods and communities.		
H2.1: Housing design process: Review proposed new housing to achieve excellence in development and design through an efficient project review process.	Planning Commission	2011	Administer Design review and refine the design review process [H.HH]
H2.2: Design that fits into the Neighborhood Context: Enhance neighborhood identity and sense of community by designing new housing with a sensitive transition of scale and compatibility with the surrounding neighborhood.	Planning Commission	2011	Adopt Criteria for use in design review and refine the design review process [H.HH]
H2.3: Housing Design Principles: Provide stable, safe, and attractive neighborhoods through high quality architecture, site planning, and amenities that address the following principles: <ul style="list-style-type: none"> a. Building Bulk Requirements b. Street Patterns 	Planning Commission	2011	Adopt criteria for use in design review and refine the design review process [H.HH]

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c. "Sense of Place"			
d. Visual Impact of Parking and Garages			
e. Quality Building Materials			
H2.4: Resource Conservation: Promote development and construction standards that provide resource conservation by encouraging housing types and designs that use cost-effective energy conservation measures and fewer resources (water, electricity, etc.) and therefore cost less to operate over time, supporting long term housing affordability.	Planning Division and Building	2014 Ongoing	Publicize energy conservation programs [H.S] Apply Title 24 requirements [H.FF]
H2.5: Renewable Energy Technologies: Promote the use of renewable energy technologies (such as solar and wind) in new and rehabilitated housing when possible.	Building Division and Planning	2011	Promote solar design [H.J] Encourage "green" building standards and processes
H2.6: Maintenance and Management of Quality Housing: Support good management practices and the long-term maintenance and improvement of existing housing through housing and building code enforcement, and rehabilitation loan assistance for low and moderate income homeowners and rental property owners with lower income tenants. Make the most effective use of rehabilitation loan funds by prioritizing their use to meet the greatest need.	Building Redevelopment Agency	On-Going On-going	Link code enforcement with public information programs [H.AA] Assist in maximizing use of rehabilitation loan programs [H.U]
Goal H3	Use Land efficiently to encourage a diversity of housing types and to implement "smart" and sustainable development principles.		
H3.1: Variety of Housing Choices: Achieve a mix of housing types, densities and designs to provide choice in owner and renter housing, housing close to jobs and transit, mixed use housing, varying affordability levels, mobile homes and manufactured housing, assisted living and supportive housing, and other housing types.	Planning Planning	On-going 2010	Implement mixed-use development standards [H.F and H.L] Implement zoning amendments for mobile and manufactured homes [H.K]
H3.2: General Plan and Zoning for Housing: Maintain an adequate supply of land designated for all types of residential development to meet the regional housing need. Within this total, maintain a sufficient supply of land for multi-family	Planning Planning	 On-going	[H.Y] Utilize inventoried sites for multi-family infill housing when opportunities arise

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housing and mixed use housing to meet the quantitative housing need for very low, low, and moderate income housing units.			
H3.3: Efficient Use of Housing Sites and Establishment of Minimum Densities: Approve well-designed projects at the mid to high range of general plan densities; do not approve development below minimum designated General Plan densities unless physical or environmental constraints preclude its achievement. If development on a site is to occur over time require applicants to show that proposed developments do not prevent subsequent development of the site to its minimum density.	Planning	On-going	Update land use plans to facilitate multi-family infill housing [H.X and H.BB]
H3.4: Impact and Planning Fees: Reduce and/or defer fees for lower income housing to the extent possible and when possible, and encourage other agencies to also do so.	Planning	2010	Revise impact and planning fees [H.C]
H3.5: Employee Housing: Encourage employers developing large projects (100+ employees) to provide housing opportunities for their employee's onsite or offsite.	Planning	2010	Utilize land use plans to facilitate multi-family infill housing [H.C]

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H3.8: Second Units: Encourage additional well-designed second units as a desired use in all residential neighborhoods throughout the City by simplifying permit review and encouraging that in new subdivisions over 10 units a portion of the lots construct a second dwelling unit by creating appropriate incentives. Consistent with State housing law, exempt second dwelling units from area density calculations.	Planning Planning	2010	Provide information on second units for homeowners [H.E]
H3.9: Encourage Site Planning Conducive to Physical Activity: Encourage design and site planning of residential developments that have features and amenities that support physical activities.	Planning	On-going	Utilize land use plans to facilitate multi-family infill housing [H.X and H.BB]
Goal H4	Develop affordable housing opportunities		
H4.1: Fair Share: Promote a “fair share” of well-designed affordable and varied housing in all neighborhoods throughout the City.	City Council	2012	Implement Condominium Conversion Ordinance and accompanying inclusionary regulations. [H.O]
H4.2: Protection of Existing Affordable Housing: Ensure that affordable housing provided through government subsidy programs, incentives and deed restrictions will remain affordable, and intervene when necessary to help preserve such housing.	Redevelopment Agency	Ongoing	Protect “at-risk” units [H.R]
H4.4: Establish options for Meeting future Inclusionary Requirements: The City will establish its primary intent and strategy for adopting an inclusionary requirement. Coinciding with the sunset of Measure U, the City will determine the standards by which additional density will be allowed when projects provide a defined percentage of units affordable to low and moderate income households.	Planning Division and Redevelopment Agency Finance	2014	The City will partner with Sa Benito County Housing coordinator to determine appropriate non-profit organizations [H.Q.a.]
H4.5: Leveraging of Public Funds: The City shall encourage private investments in affordable housing by continuing to leverage public funds were possible...	Finance, Redevelopment, and Planning Division	On-going	Implement plan to expend funding resources [H.W]
H4.6: Long-Term Housing Affordability: Establish resale controls and rent and income restrictions to ensure that affordable housing provided through incentives and/or inclusionary programs	Redevelopment Agency Planning Division	Ongoing	Protect “at-risk” units [H.R]

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and as a condition of development approval remains affordable over time to the income group for which it is intended. Implement long-term or in perpetuity agreements and/or deed restrictions with developers to govern the affordability in such units. Provide assurance through recorded agreements and monitor their continuing affordability.			
H4.9: City Actions to Achieve Affordable Housing Goals: Utilize the unique powers of the City's Redevelopment Agency and other means to assist in achieving the City's housing goals, especially housing for lower income households.	Planning Division	On-going	Facilitate development at key housing sites [H.W]
Goal H5	Provide housing for special needs population		
H5.1: Special Needs Groups, including Special Needs Households, and Density Bonus units for Special Needs: Actively promote the development and rehabilitation of housing to meet the needs of special needs groups, including the needs of seniors, people with disabilities, farm workers, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single parent families, large families, and other persons identified as having special housing needs.	Planning Division	On-going	Monitor special needs housing [H.BB] Host an annual community forum for Housing issues in Hollister Program H.G. , H.BB, H.CC and H.DD

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H5.2: Farmworker Housing: Continue to work with the County to find solutions to farmworker housing needs and support efforts and provide assistance to develop appropriate solutions to providing temporary or permanent affordable farmworker housing.	Redevelopment agency	On-going	Establish zoning for farmworker and ranch hand housing [H.O]
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4.3 IMPLEMENTATION MEASURES

1-Year Time Frame (2010)

- H.A Develop program guidelines to establish a Foreclosed Home Reactivation Program.

The City will establish and implement a program to provide financial assistance to return foreclosed homes to the active market. Redevelopment Agency (RDA) funds will be used to purchase and rehabilitate homes, either to be done by the Agency, or in partnership with a non-profit home builder/developer. Homes will be offered to very-low, low, and moderate income purchasers, such sales may be packaged with Hollister Second Mortgage Program (HSMP).

- H.B Develop program guidelines to establish a Tenant Based Rental Assistance (TBRA) Program.

The Redevelopment Agency (RDA) will establish and implement a program to provide financial assistance to help tenants with rent payments. The program will be structured to assist those in the lower income categories, including extremely low income, so no rental payments exceed 30% of a tenants' income. The RDA is proposing to fund the TBRA program in the amount of \$100K annually. The Program will be established and operational by July 2010.

- H.C Implement development impact fees and planning fees that encourage the construction of units affordable to lower income households.

The City has adopted fees on a sliding scale for multi-family projects. Lower fees are charged to encourage development, while maintaining adequate funding levels for infrastructure and public services. The City will approve projects based on lower fees to lower the overall costs of multifamily and particularly affordable housing. The City will evaluate additional measures that can be taken to further reduce costs. Continue to allow lower sewer and water connection fees and lower traffic impact fee for multi-family development in an ongoing effort to reduce the cost of development.

- H.D A new Zoning Ordinance was adopted by the City in December, 2008. As per Section 17.22.120, Homeless Shelters and Transitional Housing, identified as Small or Large Temporary Residential Shelter (LTRS or STRS), are permitted in the North Gateway (NG) zoning district provided that each

establishment meets specified objective location and operational standards. In order to comply with SB2, the words “by right” shall be added to the code section clearly indicating homeless shelters are allowed by right without any discretionary approval. The City shall also identify sufficient capacity to develop one homeless shelter within a year.

For clarification, additional language shall be added describing Supportive and Transitional Housing such that they shall be treated as residential uses and subject to only those restrictions that apply to other residential uses in the same zone. The City shall establish a partnership with providers who establish short-term bed facilities for segments of the homeless population, including specialized groups such as the mentally ill and chronically disabled, to further demonstrate the City’s support of the development of Transitional and Supportive Housing. The City shall also continue to assist with the identification of potential locations for SRO projects and will offer providers City assistance with grant writing and other technical assistance.

Zoning Ordinance revisions shall be completed by August, 2010.

- H.E The City shall process a Zoning Ordinance amendment to allow Second Units in select instances in higher density residential and mixed use zones.

The Zoning Ordinance amendment shall specify that second units are allowed with a building permit in the R3, R4, and Mixed use zones if there is an existing residence on a lot not less than 8,000 square feet, where there is no potential for lot consolidation, and development standards for the second unit can be met. The Zoning Ordinance revision shall be completed by August, 2010.

- H.F Foster lot consolidation to encourage the creation of lots more conducive to the development of higher density affordable infill housing projects where necessary in the City of Hollister

The City of Hollister will provide assistance to developers in expediting project plan review for proposed infill projects, and will assist developers for find opportunities to identify candidates for consolidation and to consolidate said lots to maximize development potential in the Downtown Mixed Use district and in the Old Town infill area. The City will establish a procedure to facilitate lot consolidation efforts by August of 2010, and will maintain active efforts thereafter throughout the 2009-2014 housing element period.

- H.G Establish partnerships with the community in the form of neighborhood associations to reach neighborhood level agreements on mutual goals and a vision of the community.

Work with community members and developers to establish neighborhood associations, direct communication channels with City Hall, shared goals and action plans, and to publicize joint efforts through the City’s

newsletter and website; the City will also assist the process by making public meeting facilities available free of charge. The City will formalize partnering agreements with neighborhood groups by August of 2011.

Conduct annual Housing forums and seek partnerships to facilitate bridge housing for young adults (foster youth) and establishment of multi-use facilities for childcare, afterschool youth programs, adult education.

Review legislation at the City of Hollister/San Benito County Intergovernmental Committee meetings to support legislation that assist in providing affordable housing and special needs. Housing.

2-Year Time Frame (2011)

H.H The City shall continue to implement the Site and Architectural Review procedures adopted as part of Title 17. The City shall provide public handouts containing information about the review process, and the City will train planners and design review members on the design review process and criteria to be used in reviewing projects. The City will make information available to the public within the first year after housing element adoption; the first staff training shall take place by December, 2009, ongoing on an as needed basis.

In 2011, the City will award 488 allocations for the last two years of the Measure U growth initiative – 2011 and 2012. Eighty of the units must be for affordable housing projects.

The City will develop further criteria to guide the development of projects in the City affordable to lower income households. The City shall examine small lot housing, infill near established neighborhoods and mixed use near established neighborhoods to determine criteria for sites suitable to lower income groups. Criteria shall be developed by December of 2010, and may include the following:

a. **Building Bulk Requirements.**

In multi-unit buildings, require designs to break up the building mass and reducing bulk, including the use of upper story step backs and landscaping. Ensure a human scale in new development, and when possible create multi-family buildings that have the appearance of single-family homes. Windows, doors, and exterior treatment, for example, are an important element of building design and are an indicator of overall building quality.

b. Street Patterns.

Incorporate transitions in height and setbacks from adjacent properties to respect adjacent development character and privacy. Design new housing so that it relates to the existing street pattern and creates a sense of neighborliness with surrounding buildings.

c. Enhance the “Sense of Place”

Design new housing around natural and designed focal points, through direct pedestrian, transit or automobile connections. Respect existing landforms, paying attention to boundary areas and effects on adjacent properties.

d. Minimize the Visual Impact of Parking and Garages.

Encourage driveways and garages to be located to the side of buildings and recessed, or along rear alleyways or below the building in some higher density developments. Discourage home designs in which garages dominate the public façade of the home.

b. Use Quality Building Materials.

Building materials should be high quality, long lasting, durable and energy efficient.

H.I Partner with water purveyors to continue to provide for future water system capacity to meet housing needs.

Identify additional water sources in order to provide adequate water for the additional development projected under the General Plan (see programs in the Community Services and Facilities Element).

The City will create a schedule that will lay out the procedure and policy decisions necessary to set up the MOU and the approximate time frame to complete. The Schedule shall be completed by August, 2011.

H.J The City shall research funding opportunities with PG&E and other sources and development of a program similar to the solar ‘Berkeley First’ program.

The City will continue to encourage conservation by awarding growth management allocations to projects with energy conservation measures.

The City shall establish and adopt a program including pictures of lighting standards/types, and other established approaches to solar design and construction to offer additional incentives to homeowners to utilize solar technology to offer cost savings in affordable market rate housing. The City shall provide bi-lingual education materials and explore site review standards for solar access for new development by August, 2010.

- H.K Process Zoning Ordinance amendment for mobile homes and manufactured homes.

Comply with State Government Code by amending the Hollister Zoning Ordinance to establish mobile and manufactured homes on foundations as permitted uses in residential zones, subject to the City's applicable zoning standards. The amendment shall specifically identify manufactured housing on a permanent foundation to be an approved housing type in the R-1 Single Family, and RA Residence Agricultural districts, subject to the same standards as other types of permitted housing. Zoning amendment to be completed by July, 2011.

- H.L Amend standards for minimum lot size in the Downtown Mixed Use zoning district and Neighborhood Mixed Use District in the Measure Y exemption area for new construction of residential units on the upper floors of a mixed use building to increase opportunities for infill mixed use development. The amendment shall be completed by July of 2011.

- H.M Prepare an expedited development review process for affordable housing development by the following means. The process for affordable housing review shall be adopted by the City by July 2011 and will be used on an ongoing basis thereafter, 2010-2014

- a. Priority Processing.

Affordable housing developments shall receive the highest priority. Efforts will be made by staff and decision-makers to: (1) provide technical assistance to potential affordable housing developers in processing requirements, including community involvement; (2) consider project funding and timing needs in the processing and review of the application; and (3) provide the fastest turnaround time possible in determining application completeness.

- b. CEQA Review

Use mitigated Negative Declarations, the General Plan EIR, or specific area EIR's to assess potential impacts and mitigation measures. Specific actions include: (1) conduct environmental review and, as appropriate, prepare an EIR for General Plan

Amendments and Rezonings for identified key sites; and (2) specify appropriate densities, design guidelines and development standards to avoid known potential environmental impacts or to mitigate potential impacts.

- c. Review strategies to meet parking standards in the mixed use districts and Downtown Hollister

3-Year Time Frame (2012)

H.N In June/July of 2009 the City will award 720 allocations for the years 2008, 2009, 2010 based on the Measure U growth rate of 244 units per year. One hundred percent (120%) of the allocations will be for affordable housing. Fifty seven percent of the sites are targeted for the multi-family and mixed use zoning district.

H.O The City shall amend the Zoning ordinance to ensure that permitting and processing procedures for farmworker housing do not conflict with Health and Safety Code Section 17021.6, which states that “Any employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household shall be deemed an agricultural land use designation for the purposes of this section. For the purpose of all local ordinances, employee housing is an activity that shall not differ in any way from an agricultural use. No conditional use permit, zoning variance, or other zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone.” The City shall also ensure that such procedures encourage and facilitate the development of housing for farm workers. The Zoning Ordinance amendment shall be adopted by July of 2012.

H.P Participate in partnership fashion with both South County Housing and Community Services Development Corporation to facilitate the development of affordable housing opportunities.

The City will form a partnership with local developers to assist in achieving the City’s housing goals and implementing programs, and to undertake other implementation actions. Guidelines for partnering activities shall be in place by July, 2012.

H.Q Measure U expires in January 2012; six months thereafter (June 2012) the City will amend the Growth Management Ordinance. In 2011, the City of Hollister will initiate a study to determine the need for a growth management program based on the number of residential housing units

generated during the program period as of 2011 by type and affordability level. The information shall be used to assess unmet needs for housing types and prices.

Possible exemptions shall be considered including: 1) extension of the exemption to growth limits in the Downtown Area; 2) exemption for 100% affordable housing projects; and, 3) exemption for infill residential development on parcels less than two acres in size; exemption for minor subdivisions in the Low Density Residential General Plan land use designation. To maintain consistency with the General Plan; any growth management program shall allow at least 254 dwelling units per year.

- a. The City of Hollister will assess the need to adopt an Inclusionary Housing Ordinance to coordinate with the expiration of the Growth Management Measure U, in 2012. Until such time as an Inclusionary Housing Ordinance is adopted, the City will continue to utilize the inclusionary requirement that is a part of the Condominium Conversion Ordinance and allocations for 40 affordable housing units per year as required in the growth initiative Measure U.

The City will undertake this action by December 2012, but the process of evaluation will begin no later than June, 2012

5-Year Time Frame (2014)

H.R Protect “at-risk” units

The City has identified 116 assisted units that are at risk of converting to market rate. The City/Redevelopment Agency will pursue State and Federal funding sources, such as the HOME program keep units affordable. The City/Redevelopment Agency will also continually engage property owners to take advantage of deferred loan programs for rehabilitation, mortgage refinancing, and acquisition to keep units affordable long term (typically 50 years).

H.S The City recognizes that the annexation of residential land for residential development will be necessary to meet the needs of the community going forward, and also to meet the future RHNA requirement.

The 2012, the City of Hollister will seek to annex 1 land located within the City’s 2005 Sphere of Influence, specifically, those parcels contained in eight (8) unincorporated islands comprising approximately 75 acres. In addition, the City will target other lands in the City’s SOI for annexation during the next housing element period. The first priority annexations are expected to be complete by June, 2012.

On-Going Time Frame

H.T Publicize energy conservation programs

Provide public information on alternative energy technologies for residential developers, contractors and property owners. Publicize energy conservation programs and weatherization services that are available to provide subsidized or at cost inspection and corrective action by making information available through the City’s website and City newsletters.

H.U The City shall continue to engage in a public notification program to publicize the availability of and maximize the use of rehabilitation loan programs.

Utilize Redevelopment Agency funds to support an owner occupied rehabilitation program to assist low-income households to maintain their homes. Facilitate greater participation in the program through educational outreach, by increased advertising and by encouraging resident participation.

- H.V The City shall conduct an annual housing element review in accordance with State Law

Assess Housing Element implementation through annual review by the Hollister Planning Commission and City Council in conjunction with State requirements for a written review by April 1 of each year (per Government Code Section (65583(3))). Provide opportunities for public input and discussion in the review and establishment of annual work priorities for staff, Planning Commission, and City Council. Submit an annual general plan progress report to the California Office of Planning and Research (OPR) and the California Department of Housing and Community Development (HCD) as required pursuant to Government Code Section 5400.

- H.W Facilitate affordable housing development at key housing sites by utilizing Redevelopment Agency dollars, leveraging Agency funding where possible to involve private investments. The City will work with the San Benito County Housing coordinator, local non-profit housing providers, the Redevelopment Agency and other organizations to identify key sites and construct affordable rental and ownership units.

The City will continue to utilize the inclusionary requirement that is a part of the Condominium Conversion Ordinance.

The City shall continue to facilitate the construction of affordable housing at key sites to meet the City's "Fair Share" of the regional housing need for very low income, low income and moderate income households. Facilitate the development or rehabilitation of affordable housing by using redevelopment set-aside funds to assist in any on-and off-site mitigation that may be required or to provide gap financing.

- H.X Maintain a list of new sites for multi-family infill housing. City staff will maintain list of properties; field staff will assist in identifying new sites in the course of daily inspections.

Identify additional sites for multi-family land use for the development of affordable and special needs housing where opportunities are available that will not dramatically change the neighborhood characteristics of an area. Such sites may include, but are not limited to:

- a. Land owned by other groups and governmental agencies (such as school districts).
- b. Vacant land (small, scattered infill sites).

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- c. Re-use of underutilized or non-viable commercial sites and, in limited circumstances, industrial sites, to encourage adaptive re-use of vacant buildings with residential or mixed residential and commercial uses.
- d. Parking Lots.
- e. Residentially zoned sites where higher density is feasible or may be accommodated through lot consolidation.

H.Y Maintain monitoring systems.

Annually monitor and update housing development accomplishments, including housing type and affordability level of housing units approved and built during the planning period. Monitor general housing conditions and track the number of housing units rehabilitated and replaced against housing program objectives. Maintain an up-to-date inventory of vacant land for distribution to developers and non-profit organizations; mail this inventory to private and non-profit developers on an annual basis and provide this information at the planning counter and by request to all interested parties.

The City shall continue to annually monitor the ratio of residential to commercial development in mixed use areas that have been developed since 2005. If 50% of the inventory in a geographic area is developed at a rate with less than 1 dwelling units per 5,000 sq. ft. of commercial space, then the City of Hollister is will rezone vacant land in the area to the R4 zoning district based on a standard to assure construction of a minimum of 1 dwelling unit per 5,000 square feet of commercial space. Monitoring shall be done at least annually throughout the 2009-2014 Housing Element period.

H.Z Pursue and expend all obtained funding resources

Establish specific uses of housing funds and/or land donations generated and designate the Redevelopment Housing Coordinator position to manage them. The City/Redevelopment Agency will continue to work with non-profit and for-profit housing developers, and take actions necessary to expedite processing and approvals for such projects.

All other sources of funds shall be pursued by the City including HOME and CDBG funds to assist with the construction and rehabilitation of lower income housing, including extremely low income owner/renter occupied housing. The City will partner with non-profit and for profit affordable

housing developers, to support their financing applications for MHP, Joe Serna Farmworker Housing Program, tax-exempt bonds, and other programs that become available. The City will pursue all funding sources when appropriate or when the Notices of Funding Availability are issued; annual funding cycles will be monitored regularly for ongoing programs.

H.AA Link code enforcement with public information.

Continue to implement housing, building and fire code enforcement to ensure compliance with basic health and safety building standards. Provide information about rehabilitation loan programs offered by the Redevelopment Agency, for use by qualifying property owners who are cited for violations. In particular, contact owners of structures that appear to be in declining or substandard condition, offer inspection services, and advertise on the City's web site and via direct utility bill mailing, promoting programs that will assist in funding needed work. The City will also continue to enforce the property maintenance ordinance that authorizes more rigorous enforcement of codes pertaining to deteriorated dwellings.

H.BB Monitor special housing needs to capture additional opportunities for housing for special needs groups.

Monitor special needs housing, including the following:

- a. Smaller, affordable residential units, especially for lower income single-person households.
- b. Affordable senior housing to meet the expected needs of an aging population, including assisted housing and board and care (licensed facilities)
- c. Affordable units with three or more bedrooms for large family households.
- d. Affordable housing that can be adapted for use by people with disabilities (specific standards are established in California Title 24 Accessibility Regulation for new and rehabilitation projects).

H.CC Foster and maintain partnerships with local businesses, housing advocacy groups, and neighborhood groups in building public understanding and support for affordable and special needs housing. Programs offered by the City Redevelopment Agency, include second units, rental assistance, rehabilitation loans. Specific actions include:

3. HOUSING ELEMENT

- a. Provide information pamphlets on housing issues and programs at public locations and community mailings.
- b. Maintain City web site page with information on housing issues and programs.
- c. Distribute material to neighborhood groups and associations.
- d. Provide public information through articles in the local newspapers and the City's newsletter and on the City's website.
- e. Work with unions, churches, businesses, new housing providers and other groups that might be mobilized to help support affordable and special needs housing developments.

HDD Amend adopted density bonus requirements as necessary to comply with new changes in state law.

H.EE Continue to provide fair housing information to the community and respond to fair housing complaints

The Redevelopment Project Manager is the designated Equal Opportunity Coordinator in Hollister and will ensure that written materials regarding fair housing law are provided at various public locations in the City and that information regarding fair housing agencies and phone numbers is posted on the City's website and at City Hall, the Post Office, and local transit locations where feasible. Information shall be made available in both English and Spanish. The Redevelopment Project Manager will provide information to real estate professionals, property owners and tenants on their rights, responsibilities, and the resources available to address fair housing issues.

The Redevelopment Project Manager will investigate and deal appropriately with fair housing complaints. The City will refer discrimination complaints to the appropriate legal service, county or state agency. If mediation fails and enforcement is necessary, the City will refer tenants to the State Department of Fair Employment and Housing or HUD, depending on the nature of the complaint.

H.FF Continue to implement the Owner Occupied Rehabilitation Program.

The Redevelopment Agency (RDA) will continue to operate and fund a rehabilitation program for substantial home improvement and selected permanent upgrades. The RDA will fund the Rehabilitation program in the amount of \$1M annually, with the goal of assisting 33 homeowners.

H.GG Continue to implement the Hollister Second Mortgage (HSMP) Program

The Redevelopment Agency (RDA) will continue to operate and fund a second mortgage program for first time homebuyers. The RDA will fund the HSMP program in the amount of \$1M annually, with the goal of assisting 20 homeowners.

H.HH Continue to require that, at a minimum, all new residential development complies with the energy conservation requirements of Title 24 of the California Administrative Code.

H.II Make sites available to meet new construction needs for a variety of income levels with growth management allocations and fostering infill development in the Measure Y Downtown Area of Hollister that is exempt from growth management allocations. The Development Services Department will maintain inventory of vacant buildings/properties in the Downtown Measure Y growth management exemption area and host annual informational property owner meetings to inform property owners about options for infill development on upper levels and under-utilized properties.

In June of 2007, the City Council approved a development schedule for all projects that have received allocations or are otherwise exempt from the City's growth ordinance. The City has approved applications for Site & Architectural Review for projects that still needed approval in 2008. Staff is now processing applications for subdivisions that have allocations and is provided expedited review for a self-help housing project.

H.JJ Continue to implement the City of Hollister Redevelopment Agency sponsored resale regulations for very low, low and moderate-income units to ensure that these units remain at an affordable price level. Identify an appropriate nonprofit or government agency to manage affordable housing created through the Agency's programs.

Appendix A

Housing Element Workshop Topics

Suggestions from public Misc.

- Add RDA boundary map to housing element – general plan (Gabriel Torres)
- Re-use of upstairs down town? Janet Brians
- What can agencies do to provide incentives - (David Huboi)
-

Farmworker

Existing Needs:

- Affordable units for families who work in agriculture (50% of income or more derived from agriculture, including field workers, cannery workers, packing workers, food processors etc.)
- Affordable rental units
- The migrant center has a waiting list for the first time this year. Appears to workers that work for lettuce processing facility in the San Juan Valley – Earthbound farms. Existing Migrant center have capacity for 150-200 unaccompanied males or females and 67 families from June to November. Local migrant centers have waiting lists
- Zoning designations for multifamily residential
- Rental assistance programs
- Expand existing services provided by local migrant housing centers in an attempt to meet the needs of the migrant population in the community
- Funding Sources

Additional Input We've Heard:

- Farm worker family support services in education, health, housing, tax preparation and others.
- First time home buyer program for family members
- Counseling & Support Services
- There is room for expansion at the Migrant Center

Public's Ideas:

- Why can't seasonal workers be permanent
- Is there training for persons at labor camp for financial? Enrique explained today the focus is health, immunization
- Any programs considered to put migrant farm worker housing on marginal land near the operations – Paul Rovella

Appendix A

- Migrant Center is spending money to feed and house migrant workers but what are they doing for the community (Jess – homeless task force)
- Pursue USDA funds for the 2010 application cycle for farm workers and single families – This funding may not be available in the future (Gabriel Torres)

Solutions:

- Seek additional funding sources for new or ongoing operational expenses
- Work with agricultural employers to create programs to implement employee housing

Housing Element Workshop Topics

Senior

Existing Needs:

- Senior affordable housing
- Affordable rental stock
- Smaller housing units such as one to two bedroom
- Zoning designations for multifamily residential
- Rental assistance programs
- Expand existing services provided by existing organizations to meet the needs of the senior population in the community
- Funding Sources

Additional Input We've Heard:

- Senior support services such as estate planners, accountants, insurance agents, Medicare specialist, real estate attorneys, tax attorneys
- Expand existing support program for seniors with Alzheimer's to provide support that promotes maximum benefit
- First time home buyer program for family members
- Difficulty affording a rental unit with two fixed incomes leads to living with sibling or being homeless. Living with sibling invades sibling's privacy and removes independence of senior.
- Counseling & Support Services
- Education for retirement

Public's Ideas:

- Senior housing should not be confined to senior developments or ethnic groups. Senior housing should be included in all housing programs. (Tony Ruiz)

Appendix A

- Senior housing should be built so that it can be utilized by persons with wheel chairs or walkers (doorways, door handles, bathroom, bedroom).
- The City should explore Tenants and owners development corporation of San Francisco
- Senior services should be integrated into senior housing projects (Gabriel Torres)
- National Council of Aging provides jobs if you are SOIC. They ask a return on their investment. Jobs are minimum wage and 20 hours per week. Typically jobs help community – there are for local residents and help non-profit organizations. Helps prevent homeless for seniors

Solutions:

- Seek additional funding sources for new or ongoing operational expenses
- Palm Court Project. Community Services Development Corporation has received planning commission approval for the construction of 32 affordable apartment units, 10 of which will be affordable senior units. The project location would be south of 4th street, east of West Side Blvd and west of Line Street.
- Vista Meadows. South County Housing Corporation has applied for the construction of 72 affordable senior apartments. The project location would be Rancho Drive and East Park Street.
- Market rate – Annotti project (160 units)
- Growth Management Allocations (reserve a percentage of low income for seniors)

Housing Element Workshop Topics

Homeless/Transitional

Existing Needs:

- Year Around Homeless Shelter (Existing winter shelter is for 18 and over) Provides services with Behavioral Health, coordinate with Economic Development Department for jobs, flu shots, dental and medical services. This year introduced volunteer program for occupants for community clean up.
- Existing transitional for six month at County Migrant Center provide winter emergency shelter for ____ families from Dec to March
- Homeless Shelter to support both individuals & families
- Increase Capacity of Homeless Shelter (more bedrooms)
- Designated Site or Zone for future Homeless Shelter
- Funding Sources

Additional Input We've Heard:

Appendix A

- Rehabilitation Facility for Homeless
- Counseling & Support Services
- Back On Track Again Program (BOTA)
- Single Room Occupancy Units (SRO)

Public's Ideas:

- Back on track program (work for foreclosures, West Nile virus, maintenance of landscaping in Hollister)
- Most non-profits are not sustainable financially. Form a consortium with a super board of non-profits to help establish endowments and pool resources. City and county staff should be part of the consortium.
- Need money to run a house for a Back on Track program (\$24,000) per year – jobs such as house cleaning.
- City planning officials can assist with zoning information
- Prefer facility with training on site versus single family houses
- Examples of facilities can be found in Sun Street Centers in various neighboring communities
- Indemnification program for commercial properties (Jim West)
- The Bill Wilson Center in San Jose is a good example for transitional housing for the youth

Solutions:

- Senate Bill No. 2 (Cities/Counties Must Identify Adequate Site(s) w/Zoning)
- Assembly Bill 335 for homeless assistance
- Develop a Strategic 5 – 10 yr. Plan
- State HCD Funding Programs
- Seek Additional Funding Sources
- Streamline efforts with all stakeholders (For-Profits, Non-Profits, Community, etc...)

We will receive additional Public Input @ the Workshop for this section

Appendix A

Housing Element Workshop Topics

Local Workforce:

Existing Needs:

- Increase Availability of Affordable Rental Housing
- Increase Availability of Affordable Homeownership Housing

Additional Input We've Heard:

- Add local Industry/Employment Opportunities
- Habitat for Humanity
- Rehabilitate Housing
- Higher Density Zoning

Public's Ideas:

We will receive Public Input @ the Workshop for this section

Solutions:

- County's Updating Inclusionary Housing Ordinance
- Proposed City RDA Down Payment Program
- State HCD Funding Programs
- Employer Assisted Housing Programs

We will receive additional Public Input @ the Workshop for this section

Appendix A

Housing Element Workshop Topics

Female Single Head of Household

Issues: Female Single Head of Household with children

\$\$\$ Makes less money so housing choices typically limited
\$\$\$ Cost of child care
Possible housing discrimination

Additional Input We've Heard:

- Child care facilities are needed
- Youth centers and play areas within or near housing
- More choices for housing types
- Rental housing that is affordable

Public's Ideas:

- Day care for single head of households in an apartment
- Schools could partner to create after school programs

Solutions:

- Consider plans for community centers especially in higher density and mixed use areas
- Programs to establish child care facilities close to housing
- Consider child care center facilities near major employers/employment centers (e.g. Natural Selection)
- Affordable rental housing with facilities for children

We will receive additional Public Input @ the Workshop for this section

Appendix A

Housing Element Workshop Topics

Large Family Household:

Supply

- There is an adequate supply of housing with three or more bedrooms
HOWEVER...

Existing Needs:

- Many three and four bedrooms home does not meet the local demand \$\$\$\$\$.
- Cost of homes of three or more bedrooms is not affordable for some households.
- Increase availability of affordable Homeownership Housing
- Increase supply of three bedroom apartments

Additional Input We've Heard:

- Housing programs for foreclosed homes may be a way to provide housing for large family households

Public's Ideas:

We will receive Public Input @ the Workshop for this section

Solutions:

- RDA - ???
- Rental apartments with three bedrooms
-

Appendix A

Housing Element Workshop Topics

Low Income Household:

Supply

- Not enough housing affordable for all income levels
- Housing prices inflated by Bay area – housing stock is affordable to another region
- Median income is inflated by commuters earning more money the Bay Area

Existing Needs:

- Child care facilities
- Youth centers
- Low income senior housing
- Rental housing (apartments)

Additional Input We've Heard:

- Resale of foreclosed homes

Public's Ideas:

We will receive Public Input @ the Workshop for this section

Solutions:

- RDA - ???
- Rental apartments with three bedrooms
- Solar energy (reduce utility costs)
- Research grant program for solar energy with roof replacement (reduces utility costs)
- Programs for a more diverse supply of housing types
 - Starter rentals (foster children, first-time rental)
 - Studios
 - Down sizing – transition from family to semi-retirement-retirement
-

We will receive additional Public Input @ the Workshop for this section

We will receive additional Public Input @ the Workshop for this section

Appendix A

Housing Element Workshop Topics

Foreclosures

Post occupancy program for homeowners transitioning from rental to ownership (Gabriel Torres)

Avoidance programs

Neighborhood Stabilization Program

Right now SBC 7th in state for population ratio no #2

Why only first time home buyer – some people lost homes or want to relocate to Hollister

Housing Element Workshop Topics

Diability

Colloborate with the City and County to identify area to improve sidewalks and accessibility between properties. There is confusion about jurisdiction and why sidewalks are missing. (Dave Rovella said he receives a lot of calls as an attorney.)

Appendix A Community Assistance Network (CAN)



Dedicated to all Children & Families Since 2003

1111 San Felipe Road ♦ Hollister, CA 95023 ♦ (831) 637-9293 ♦ Web-site: www.sanbenitoyouthcan.org

Community Assistance Network (CAN)

July 30, 2008

8:15 A.M. – 10:00 A.M.

MINUTES

DRAFT

Mission Statement: The mission of the Community Assistance Network is to advocate for the acquisition of resources for the well-being of San Benito County children and their families.

Vision Statement: CAN believes that all children and families deserve to live in an asset rich community which provides adequate basic needs such as safety, food, shelter, health services, a sound education and a supportive family system.

Present: Andi Anderson, Margie Barrios, Kendra Bobsin, Rochelle Callis, Kay Gibson, Irma Gonzalez, MaryAnne Hughes, Dennis Kurtz, Betty Mason, Diane Ortiz

Absent: Frank Beitz, Brent Cardall, Ron Crates, Kim Dryden, Carley Galarneau, Kellie Guerra, Kellie Kennedy, Tony LaMonica, Stan Rose

Guests: Mary Paxton/Manager City Planning, Abraham Prado/Assistant Manager City Planning, Chris (CJ) Valenzuela/Housing Coordinator, Michael Kelly/County Planning, Gifford Swanson/IHSS Public Authority

I. **Welcome:** Chair, Kendra Bobsin, called the meeting to order at 8:30 A.M.

II. **Addenda to Agenda:** MaryAnne Hughes requested that Special Guest, Mary Paxton, be added under item #V.

III. **Approve Agenda:** The agenda was approved with addition mentioned in item #II. *M/S/C* Rochelle Callis/Dennis Kurtz*

IV. **Review & Approve Minutes:** The minutes of the May 28, 2008 meeting were approved as presented. *M/S/C Dennis Kurtz/Rochelle Callis.*

V. **Special Guests:**

A. **Discuss who members would like to invite:** For future meeting the board suggested inviting

1. Casey Castillo of 1st 5, Kendra Bobsin will ask Casey, and
2. A representative of the Gang Awareness Taskforce to discuss gang paraphernalia, gang color recognition, etc. Andi Anderson will ask Enrique Arreola to invite them since he is on their board.

B. **Housing Element:** (I hope I got all the Depts correct, MaryAnne, please correct me) Mary Paxton: Manager City Planning, Abraham Prado: Assistant Manager City Planning, Chris (CJ) Valenzuela: Planning Department Housing Coordinator, and Michael Kelly: County Planning attended the meeting to discuss the Housing Element and to gain insight on

Leadership Team

Kendra Bobsin – Chair
MaryAnne Hughes – Vice Chair
Andi Anderson – Secretary

Margie Barrios
Frank Beitz
Rochelle Callis
Brent Cardall

Ron Crates
Kim Dryden
Robert England
Kathy Flores
Carly Galarneau

Kellie Guerra
Kay Gibson
Irma Gonzalez
MaryAnne Hughes
Kellie Kennedy

Dennis Kurtz
Tony LaMonica
Betty Mason
Diane Ortiz
Stan Rose

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community needs. Mary Paxton distributed a flyer on the “Housing Element Revisions Community Outreach” and explained the goals and vision of the Housing Element. By updating the Housing Element it will be easier to go for more grants. Hoping to hear what the special housing needs are in the community. What programs are working and what needs to be updated. A lengthy discussion ensued and topics discussed were:

1. **Special Needs Housing:**

- a. **Childcare:** Kendra Bobsin discussed the need implementing childcare into the plan. This was a need in the past that has been put on hold. Lack of childcare puts a huge strain on families without a stable childcare system. Developers could contribute to a childcare fund. Kendra has models that can be used.
- b. **Visit Ability:** Gifford Swanson discussed the “Visit Ability” movement in Europe and the minor changes that can be made to homes to assist individuals with disabilities i.e., no steps to enter the front door, wider hallway & doorways. Eliminating steps is a huge deal. Gifford stated that he would like to see in the future is that 100% of homes are built this way. Check out these web-sites:
http://www.baltimorecountymd.gov/Agencies/community/ADA/visit_ability.html
<http://www.ap.buffalo.edu/idea/visitability/designforlifespans/primerva6.htm>
<http://www.montgomerycountymd.gov/hhstmpl.asp?url=/content/hhs/ads/DesignForLife/DesignForLifeMontgomery.asp>
- c. **Foreclosure:** CJ Valenzuela stated that he is targeting families facing foreclosures and is working to educate them on their options. It is important to know if families have special needs in order to better assist them. In the present market many clients don’t qualify for aid because they own property & vehicles. Many have never used federal programs and don’t know where to go to find assistance.
- d. **Farm Worker Housing, In-Fill & Transitional Housing:** MaryAnne Hughes discussed the need for more “In-Fill” homes (enables many low and moderate income families to become first-time homebuyers) & transitional housing based on a fee scale. Needs to be staff & office space in the housing developments to provide support to assist residents with their transition. For more information on In-Fill homes see: http://infill.gisc.berkeley.edu/report_vol-1.pdf.
- e. **Youth Centers & Play Areas:** MaryAnne Hughes and Diane Ortiz discussed the need for Youth Centers & play areas within the housing complexes that would be a safe place for youth to go, especially older youth. The outside areas should include: playgrounds, outside playing area (basketball, softball, etc). Inside areas should include: a full kitchen, computer hookups, lots of electrical outlets, extra rooms for counseling, etc. Gifford discussed a program he was involved with that provided computer skills training for adults & youth that was funded through small grants, the city & school districts. If there is collaboration between city, county& non-profits, there is funding available.
- f. **Foster Youth:** Kay Gibson discussed emancipated foster youth and the lack of options available to them causing them become homeless on their 18th birthday. Discussed purchasing housing for these youth. Foster youth could be a special housing needs group.

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- g. **Studio Apartments for College Age**: Betty Mason discussed the need for Studio apartments and boarding houses for young people who can't afford to move out. Often the young people can only afford \$500/month rent. Discussed implementing a program where people with larger homes would be willing to rent their rooms for a transition period. This could be done by educating the public on the needs of the community.
- h. **Affordable Housing**: The lack of affordable housing has created a problem with garage living & "couch surfing". Couch surfing is families moving from one family member/friend to another until they find permanent housing. 5% of youth in schools are considered homeless.
- i. **Housing Survey**: Mary Paxton discussed distributing a survey through the Community Pantry, Public Authority, CSWD, HHSA etc. Survey must be in English/Spanish and should be kept to one page. Planning Department personnel should contact the Homeless Taskforce Manager, Cindy Parr to ask if she and homeless shelter staff could interview the homeless at Dunne Park and Park Hill.
- j. **Community Development Block Grant (CDBG)**: Discussed the CDBG grant that the city can't apply for because of the lack of a Housing Element. Diane discussed the CDBG funding standstill with the city.
- k. **Zoning Law**: Mary Paxton discussed a recent law that was passed that mandates implementing homeless shelters and transitional housing into a zoned district and how this affects the city draft plan. Mary Paxton explained that with the adoption of the 2005 General Plan, a Housing Element has been included and the Planning Department is hoping to have the Housing Element certified by next June.
- l. **Self-Sufficiency**: Kendra Bobsin distributed a copy of the self-sufficiency report for San Benito County. Discussed the self-sufficiency standards for San Benito County. For a 1 adult family with 2 children the self-sufficiency rate is \$54,000 a year! Check out the Insight Center for Community Economic Development website at: <http://www.insightcced.org/>.
- m. **Schools**: Discussed the need for permanent, accessible schools to support new neighborhoods. It is important that sidewalks be included in new neighborhoods, especially around schools. Crosswalks are also important.
- n. **Downtown Housing**: Mary Paxton discussed the inventory of the upper level of the downtown in order to reuse the property for low-income housing. MaryAnne Hughes stated that it is important that downtown markets provide more nutritional options in their store for those without transportation.

Kendra thanked Mary Paxton & her group for coming, and offered to review their draft plan once it is completed. The CAN would like to invite the planning members back in the future for an update on the General Plan.

VI. **Review Strategic Plan:**

- A. **Survey Report**: MaryAnne Hughes reported that she is still working with Community Foundation and the Compass Point for non-profit training on community building. The Packard Foundation is providing the training to Hollister as a gift. The training title is

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“Community Action 101”. They are hoping to schedule the training in September or October and are encouraging every non-profit to attend. Once the dates are set the survey and invitation will be sent out. Suggestions for a training site are: the Presbyterian church, Bolado Park, San Juan Oaks, or Ridgemark.

- B. **Packard Foundation**: Andi Anderson reported on the Community Foundation’s request to film Hollister Youth Alliance (HYA) for a DVD production sponsored by the Packard Foundation. This will be used to market the HYA agency and community to other Foundations as a way to promote funding services in our County. What is really great about it is that HYA was selected as THE youth agency representative of SBC!! The Community Foundation, GoKids, & YMCA are all creating a DVD as well. Discussed having all non-profits come together for one major fundraiser and dividing the funds between them. Rochelle Callis & Kendra Bobsin will form a committee to discuss further.
- C. **40 Developmental Assets (40DA)**: Dennis Kurtz reported that there has been no action on the 40DA grant since the last meeting. Unfortunately, the person writing the grant was laid-off. Dennis is hoping he will have more to report at next meeting. Discussed purchasing the 40DA brochures and distributing them into the community. Rochelle has some of the materials that were purchased and housed at the YMCA.
- D. **Foster Youth Services (FYS)**: Frank not present items will be tabled to the next meeting.
1. **Current Activities/Update**: Frank Beitz will provide an update on Foster Youth Services.
 2. **College Tour**: Frank Beitz invited the student who participated in the college tour to share at the June meeting, however; the meeting was cancelled due to the “Kids at the Park” event. Discuss rescheduling the college student.
 3. **Advisory Meeting**: Frank Beitz will report on outcome of the Foster Youth Advisory Council meeting with Behavioral Health that was held in June.
- E. **Committee Reports**:
1. **Education Committee**: *(Margie Barrios, Dennis Kurtz, Rochelle Callis & Diane Ortiz) Due to time constraints, this item will be tabled to next month:*
 - a. **Rotary**: Discuss having the CAN present to Rotary for their support.
 - b. **40DA Brochures**: Kendra Bobsin will report on possible funding sources to purchase the 40DA brochures.
 - c. **40DA Training**: Continue discussion about training CAN members on how to present the 40DAs, and distributing the information to the community.
 2. **Marketing**: Andi Anderson made changes to the CAN brochure. Andi has requested quotes and will report. Table & discuss what we would do. Andi provided the quotes received from three printers, with Caputo Printing coming in at \$539 for 5,000 copies of the CAN brochure. Table to next month and also get a quote from Postnet.
 3. **Small Grants**: Kendra Bobsin stated that the CAN requested \$5,000 from the Community Foundation and was awarded \$2,000. The funds need to be expended by the end of the calendar year. Discussed using the funds for the 40 DA training: quote for training was \$3500.

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F. Informational Items/Upcoming Events:

1. **Youth Golf Tournament:** Andi Anderson reported on the Hillside Christian Fellowship's 4th Annual Golf Tournament that was held for June 14, 2008 at Ridgemark Golf Club.
2. **Joey's Day of FUN!**: Andi Anderson reported on the 1st annual *Joey's Day of FUN* that was held on June 28, 2008.
3. **Sign Language Workshop:** Kendra Bobsin reported on the Sign Language workshop that was held June 14, 2007.
4. **Report on the "Kids at the Park":** Members will report on the "Kids at the Park" event that was held on June 25, 2008.
5. **Drop Zone:** Members will report on Drop Zone activities. Flyer was distributed.
6. **National Night Out:** Scheduled for August 5, 2008 from 5:30 -8:00 P.M. in San Juan Bautista. Flyer was distributed.
7. **Community Pantry:** MaryAnne Hughes will report on the following Community Pantry activities:
 - a. **Nutrition Classes:** Flyer was distributed.
 - b. **Food Stamp Assistance:** Flyer was distributed.
8. **YMCA:**
 - a. **Golf Tournament:** YMCA 10th Annual Golf Tournament is scheduled for Friday, September 19, 2008 at San Juan Oaks Golf Club. Flyer was distributed.
 - b. **After School Education & Safety Program:** Flyer was distributed. Legislation is in the works to stop Prop 49 funding for after school programs. Members were encouraged to write letters advocating that the funds continue.
9. **Library:** Betty Mason reported that the library had exhausted funding for tutor.com, but received more funding. There is a link on library website where students can go to receive on-line tutoring, however they do need a library card number in order to logon. Betty also provided information on a "data base" website that is available through the library.

G. Additional Items:

1. **Next Meeting Coverage:** Kendra Bobsin asked MaryAnne Hughes to chair meeting as she will be out of town.

The meeting adjourned at 10:00 A.M. M/S/C Margie Barrios/ Irma Gonzalez.

The next CAN meeting is scheduled for August 27, 2008 at 8:15 A.M.

***Motion/Second/Concur**

APPENDIX B

March, 2009

DATA SOURCES

Every attempt was made to use the most acceptable, current and reliable data for the City of Hollister Housing Element.

- U.S. Department of Commerce, Bureau of the Census: 1990, and 2000 Census Reports: Summary Tape File 3 and Summary Tape File 1.
- Department of Finance: Demographic Research Unit, Report E-5: 1990-2008.
- San Benito Council of Governments (SBCOG): 2007 2014 RHNA.
- Association of Monterey Bay Area Council of Governments (AMBAG), November, 2008.
- AnySite, Demographic Trends Report (1990-2008), Income Reports (1980-2008).
- State of California, Employment Development Department, Labor Market Information Division: Labor Force and Industry Employment (June 2005).
- Bureau of Labor Statistics, EA and I Unit: Local Area Unemployment Statistics (2000).
- Intero Real Estate Services and Pivetti Company, January, 2009.
- Housing Authority of the County of Santa Cruz.
- Laurin Associates: Affordable Housing Database (2005- 2008).
- City of Hollister: General Plan, Zoning Code, Redevelopment 5 yr. Plan, Building Permit Records.
- US Department of Housing and Urban Development (HUD), Office of Policy Development and Research.
- US Department of Housing and Urban Development/California Housing Partnership Corporation: Federally Assisted Multifamily Housing, Prepayment Eligible and Project-Based Section 8 Expirations (March 2008), www.chpc.net.
- State of California, Department of Housing and Community Development: California's Housing Markets 1990-1997, Statewide Housing Plan Update Phase II (1998), State Consolidated Plan 1995-2000.
- Building Standards: Building Valuation Data (2004- 2007).
- California HCD Building Blocks web site, www.HCD.ca.gov.
- California HCD Income Limits table.
- Hollister Redevelopment Agency.
- Hollister Planning and Building Departments.
- San Benito County Homeless Task Force, December 2008.
- Hollister Community Pantry, January 2009.

APPENDIX C

RESOURCES AVAILABLE TO THE CITY OF HOLLISTER

There are a number of resources available to the City and housing developers that can provide financial or other assistance in the development, financing, rehabilitation of housing for low and moderate-income households.

LOCAL RESOURCES

Housing Authority of Santa Cruz is a public agency serving the Counties of Santa Cruz and San Benito, which provides subsidized housing to low and moderate-income individuals and families. In addition to conventional public housing within its service area, the Authority administers several rental assistance programs such as the Section 8 program. The Authority receives federal and state assistance in order to operate these programs and, as such, is governed by any applicable housing regulations issued by the U.S. Department of Housing and Urban Development and the State of California Department of Housing and Community Development.

Public Housing was established to provide decent and safe rental housing for eligible families, the elderly, and persons with disabilities. Public housing comes in all sizes and types, from scattered single-family houses to apartments for elderly families. Housing and Urban Development (HUD) administers Federal aid to local housing agencies (HAs) that manage the housing for residents at rents they can afford. HUD furnishes technical and professional assistance in planning, developing and managing these developments.

Section 8 Program is a partnership between private landlords, low-income families and the Santa Cruz and San Benito Counties' Housing Authority. The Housing Authority administers a number of Section 8 rental assistance programs for low-income families. The objective of these programs is to provide adequate housing for low-income families by subsidizing a family's rent in a privately-owned rental unit.

NON PROFIT PROVIDERS

California Coalition for Rural Housing

The California Coalition for Rural Housing (CCRH) is a statewide nonprofit organization that works to ensure affordable housing opportunities for low-income households in California. CCRH supports the production and preservation of decent, safe, and low-cost housing for rural and low-income Californians. Supporters include nonprofit housing agencies, lending institutions, community advocacy organizations, consumer members, and local government officials. The Coalition advocates for housing at all levels of government before legislative and regulatory bodies. It also provides technical and organizational assistance to community groups and nonprofit agencies and educates the public on housing issues.

STATE HOUSING RESOURCES

CalHome Program is a program, through HCD, which provides grants to local public agencies and nonprofit developers to assist individual households through deferred payment loans, in order to enable very low and low-income households to become or remain homeowners. Grants to local public agencies or nonprofit corporations are for first-time homebuyer down-payment assistance, home rehabilitation, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance programs, or technical assistance for self-help and shared housing homeownership. Funding is also set aside for homeowners of manufactured homes. Eligible activities include predevelopment, site development, new construction, rehabilitation, acquisition and rehabilitation, down-payment assistance, mortgage financing, homebuyer counseling, and technical assistance for self-help projects or shared housing.

CalHome Self-Help Housing Component (CSHHP) is a program with the goal to expand the production of decent and affordable housing and to demonstrate that improved housing conditions, ownership and maintenance are within the financial capabilities of low- and moderate-income households through the cost savings provided by self-help construction. An applicant must be a local public entity, nonprofit corporation or a limited-equity housing cooperative engaged in or that will be engaged in developing, conducting, administering or coordinating assistance programs which will aid eligible households construct or rehabilitate residential units for their own use. No more than twenty percent (20%) of available funding may be awarded to any one applicant. Technical Assistance Grants may be awarded to eligible applicants for owner-building in an amount that shall not exceed \$100,000. Technical assistance grants are to be used to assist low- or moderate-income households that participate in a self-help housing program conducted by an eligible sponsor.

California Housing Finance Agency (CHFA) facilitates the Preservation Financing Program. The program offers tax exempt financing for the acquisition or refinancing of a project with an expiring Section 8 contract.

Community Development Block Grant Program (CDBG) provides annual program funding for housing, public facilities, and economic development that meet one of the following objectives: provide a benefit to low-income households, elimination of slums or blight, or resolution of an urgent community development need.

CDBG Program - Enterprise Fund: The purpose for this grant is to create or preserve jobs for low-income and very low-income persons. Grants of up to \$500,000 are allocated to provide loans to businesses, grants for publicly owned infrastructure, and micro-enterprise assistance. Individual project funding decisions are made by the jurisdiction. Eligible Activities include working capital, land acquisition, equipment purchase, inventory purchase, debt restructuring, and other direct assistance. Local grants

may support businesses by providing water and sewer services, access roads, and other public facilities.

CDBG Program – General and Native American provides allocations to fund housing activities, public works, community facilities, and public service projects serving lower-income people in small, typically rural communities. Maximum grant amount: \$500,000.

Eligible activities include: *Housing*, including rehabilitation and activities that complement new construction; *Public Works*, including water and wastewater systems, rural electrification, and utilities such as gas services; *Community Facilities*, including day care centers, domestic violence shelters, food banks, community centers, medical and dental facilities, and fire stations; *Public Services*, including staff and operating costs associated with the community facilities.

CDBG Program—Planning and Technical Assistance Grants provide funds for small cities and counties for planning and evaluation studies related to housing, public works, community development, and economic development. Provides up to \$70,000 per year per jurisdiction. No more than \$35,000 under the General/Native American Allocation and a maximum of \$35,000 under the Economic Development Allocation. Includes studies and plans for housing, public works, community facilities, and economic development activities that meet CDBG national objectives, and provide principal benefit to low-income persons.

CDBG Program - Economic Development Allocation, Over the Counter Component provides grants of up to \$500,000 for eligible cities and counties to lend to identified businesses, or use for infrastructure improvements necessary to accommodate the creation, expansion, or retention of identified businesses. Includes creation or retention of jobs for low-income workers. May include loans or loan guarantees to businesses for construction, on-site improvements, equipment purchase, working capital, and site acquisition. May also include loans for business start-ups, grants for publicly owned infrastructure, and loan or grants for small business incubators.

In order to be eligible a county must have fewer than 200,000 residents in unincorporated areas and cities must have fewer than 50,000 residents and are not participants in the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) entitlement program.

Program funds must be used to directly provide affordable housing units. Housing units must be affordable for at least 10 years, with "affordable" being defined in the context of the unmet housing needs and priorities of the locality. HELP Program funds may not be used for technical assistance or administrative costs. The HELP Loan is an unsecured loan to the agency. Local agencies may structure the funds into a loan or grant forming for their development purposes. Includes preservation of Affordable Housing, Rehab of Apartments, and Rehab of Owner-Occupied Housing Acquisition.

Current Emergency Housing Assistance Program (EHAP)

Due to the passage of Proposition 46, approximately \$31,000,000 in EHAP Capital Development funds will be available for 6 years beginning with fiscal year 2002/2003. These funds are available as forgivable deferred loans for capital development to acquire, construct, or rehabilitate sites for emergency shelters and transitional housing for homeless persons.

Division of Codes and Standards

The Division of Codes and Standards is program which administers the following programs:

Occupational Licensing Program

Enforces State laws and regulations governing the sale or lease of manufactured homes, mobile homes, and/or commercial coaches, including the licensing of manufacturers, distributors, dealers, and salespersons. The program also performs functions on behalf of the Mobilehome Ombudsman related to investigating and resolving consumer complaints pertaining to manufactured housing.

Manufactured Housing Program

Assists with the development and enforcement of preemptive federal and state regulations establishing minimum design and construction standards for manufactured homes; multi-unit manufactured housing; commercial coaches and special purpose commercial coaches sold, offered for sale, rented, or leased within the State. Inspections are conducted and the Department Insignias of Approval are issued to indicate compliance.

Factory Built Housing Program

Promotes preemptive regulations establishing construction standards for factory-built homes and factory-built building components manufactured for sale or use within the State. Inspections are conducted and complying homes or components are issued a Department Insignia of Approval.

Registration and Titling Program

Maintains title and registration records and collects fees and taxes on manufactured homes, mobile homes, commercial coaches, floating homes, and truck campers.

Mobilehome Parks Program

Promulgates preemptive statewide regulations for the construction, use, maintenance and occupancy of all privately-owned mobilehome and special occupancy parks in the State, as well as the installation of manufactured homes and mobile homes both in and outside of parks. Directly, or through local governments, inspects and issues permits for park operation.

Employee Housing Program

Promulgates statewide regulations for the maintenance, use, and occupancy of privately-owned and operated employee housing facilities providing housing for five or more employees to assure their health, safety, and general welfare. Directly, or through local governments, inspects and issues permits for facility operation. Through the Office of the Mobilehome Ombudsman, the Department

accepts requests for assistance and initiates investigations of complaints concerning health and safety violations within employee housing facilities.

State Housing Law Program

Promulgates regulations to ensure that hotels, motel, apartments, single-family dwellings, and other residential buildings are maintained in compliance with the model building codes and other more restrictive provisions of State law, and reviews and proposes building standards for construction and rehabilitation of residential structures.

Code Enforcement Incentive Program

Provides financial grants to cities and counties to improve their building code enforcement activities, enhance their administrative and judicial prosecutions, and coordinate all housing improvement agencies.

Code Enforcement Grant Program

The CEGP is a new program with the aim of making grant funds available to cities, counties, and cities and counties for capital expenditures that improve the effectiveness of and supplement existing local funding for code enforcement programs related to housing code maintenance or compliance.

California Homebuyer's Downpayment Assistance Program (CHDAP)

This program offers a deferred-payment junior loan of an amount up to the lesser of three percent (3%) of the purchase price or appraised value. Homebuyers are able to use these funds to help with their downpayment and closing costs without the need to make monthly payments on the loan. Interest will be calculated at 3% simple interest. The assistance may be combined with any CalHFA or non-CalHFA conventional or government first mortgage loan.

Homebuyers using a CalHFA first mortgage may combine the assistance with a CalHFA Housing Assistance Program (CHAP) loan, High Cost Area Home Purchase Assistance Program (HiCAP) loan and with other downpayment assistance programs offered by local government agencies and nonprofit organization, if the subordinate program is pre-approved by CalHFA. The CHDAP loan cannot be combined with loans under CalHFA's Extra Credit Teacher Program and HIRAP.

The CHDAP is available on a statewide basis for first-time homebuyers purchasing a single family residence anywhere in California, that is within CalHFA's sales price limits, is intended as their primary residence, and whose family income does not exceed the Program's moderate income limit requirements. Homebuyers must also meet all first mortgage eligibility requirements according to the lender, investor, mortgage insurer, or guarantor criteria.

Farmworker Housing Grant Program provides housing opportunities for agricultural households. Cities with a population of less than 50,000 are eligible.

Housing Enabled by Local Partnerships - The HELP Program employs a loan-to-lender approach to provide 10-year, 3% simple interest rate per annum, minimally restrictive loans to local government agencies. The program challenges local agencies to prioritize their unmet housing needs and to design housing programs that target their particular priorities. This approach allows the local agency to more closely match local

housing policy and accountability with project performance. Increasingly, the program is being used to facilitate affordable housing within more targeted comprehensive local programs for neighborhood revitalization.

Home Investment Partnerships (HOME) Program was created under Title II of the Cranston-Gonzales National Affordable Housing Act enacted on November 28, 1990. HOME funds are made available on an annual competitive basis through HCD's small cities program. Individual grants of up to \$3 million are available annually to develop and support affordable rental housing, and \$800,000 for home acquisition assistance to cities, counties and nonprofit community housing development organizations (CHDOs). Activities include acquisition, rehabilitation, new construction, and rental assistance.

Of particular note with respect to the HOME Program are the Rental Rehabilitation and/or Acquisition Program and the Tenant-Based Rental Assistance (TBRA) Program. In the Rental Rehabilitation and/or Acquisition Program, funds are provided to a HOME-eligible city or county to assist owners of multi-unit rental housing that is in need of rehabilitation to meet federal, State, or local building codes, or to assist in the purchase and rehabilitation of multi-unit rental housing that is in need of rehabilitation. In the TBRA Program, funds are provided to a HOME-eligible city or county to administer a program to provide rent subsidies to eligible households. This latter activity is commonly undersubscribed, according to staff at HCD.

Coupled with the HOME Program is a federally subsidized program called the American Dream Downpayment Initiative, created in 2003. ADDI aims to increase the homeownership rate, especially among lower income and minority households, and to revitalize and stabilize communities. ADDI helps first-time homebuyers with the biggest hurdle to homeownership: downpayment and closing costs. The program was created to assist low-income first-time homebuyers in purchasing single-family homes by providing funds for downpayment, closing costs, and rehabilitation carried out in conjunction with an assisted home purchase. ADDI provides downpayment, closing costs, and rehabilitation assistance to eligible individuals. The amount of ADDI assistance provided may not exceed \$10,000 or six percent of the purchase price of the home, whichever is greater.

Joe Serna, Jr. Farmworker Housing Grant (JSJFWHG) Program finances the new construction, rehabilitation and acquisition of owner-occupied and rental units for agricultural workers, with a priority for lower income households.

Homeowner Grants: For rehabilitation or new home construction: Lien restrictions are required for twenty years. If the unit is sold to a non-farmworker buyer before completing the tenth year, the full grant amount must be repaid under most circumstances. Between the 10th and 20th anniversaries, the grant is forgiven at a rate of 10 percent per completed year; it is fully forgiven after completing 20 years.

Rental Construction Grants or Loans: Lien restrictions for assisted units are required for 40 years. If assisted units are sold for uses other than farmworker housing before the 40th

year, under most circumstances, the grant must be repaid in full. Loans may be made in conjunction with low-income tax credit financing only.

Rental Rehabilitation Grants or Loans: Lien restrictions for assisted units are required for 20 years. If assisted units are sold for uses other than farmworker housing before the 20th year the grant must be repaid in full, under most circumstances. Loans may be made in conjunction with low-income tax credit financing only.

Those eligible include local government agencies, nonprofit corporations, cooperative housing corporations, and limited partnerships where all the general partners are nonprofit mutual or public benefit corporations.

Multifamily Housing Program (MHP)

MHP assists the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower income households. Projects are not eligible if construction has commenced as of the application date, or if they are receiving 9% federal low income housing tax credits. MHP funds will be provided for post-construction permanent financing only. Eligible costs include the cost of child care, after-school care and social service facilities integrally linked to the assisted housing units; real property acquisition; refinancing to retain affordable rents; necessary onsite and offsite improvements; reasonable fees and consulting costs; and capitalized reserves.

Local public entities, for-profit and nonprofit corporations, limited equity housing cooperatives, individuals, Indian reservations and rancherias, and limited partnerships in which an eligible applicant or an affiliate of an applicant is a general partner. Applicants or their principals must have successfully developed at least one affordable housing project.

FEDERAL PROGRAMS

The Affordable Housing Program (AHP) and Community Investment Program (CIP) are facilitated through the Federal Home Loan System for the purposes of expanding the affordable housing supply. The San Francisco Federal Home Loan Bank District provides local service. Subsidies are awarded on a competitive basis usually in the form of low-interest loans and must be used to finance the purchase, construction, and/or rehabilitation of rental housing.

Farmworker Housing Assistance Program provides grants to public and private non-profits to assist farmworkers in securing temporary or permanent housing. Provides technical assistance to farmworker and farmworker housing agencies. Program also provides counseling, technical assistance, but does not actually fund housing production or rehabilitation.

Housing and Urban Development (HUD)

HUD offers a variety programs and services which include direct financing and management of the redevelopment or construction of low-income rental housing and single-family housing, providing homeownership to the low-income. A subsidy for

public housing provides an annual subsidy to help public housing agencies (PHAs) pay some of the cost of operating and maintaining public housing units

Low-income Housing Tax Credit Program (LIHTC) - The LIHTC Program allocates federal and state tax credits for private and non-profit developers and investors who agree to set aside all or an established percentage of their rental units for households at 60 percent of AMI or below for no less than 55 years. These tax credits may also be utilized on rehabilitation projects, contributing to the preservation program. The program begins when developers and investors apply for an allocation of tax credits from the California Tax Credit Allocation Committee (CTCAC). Tax credits are awarded on a competitive basis each year. Compliance is monitored according to Internal Revenue Service (IRS) rules and regulations.

USDA Rural Development - USDA housing programs have helped over 2 million low- or moderate-income rural Americans buy homes. USDA also finances construction of apartments and other multiple family housing in rural communities that lack sufficient, affordable rental housing. Other programs finance the development of affordable farm labor housing wherever it is needed.

The Self-Help Housing program enables low-income families to become homeowners by helping to build their own homes. Their "sweat equity" becomes their downpayment. Home improvement loans and grants help low-income, often elderly, people remove health and safety hazards from their homes.

Websites:

<http://www.bridgehousing.com/misc/purpose.html>

<http://www.calhfa.ca.gov/>

www.calruralhousing.org

<http://www.hcd.ca.gov/>

<http://www.hcd.ca.gov/ca/loanGrantDir2001.pdf>

<http://www.hcd.ca.gov/ca/prop46programs.xls>

<http://www.hcd.ca.gov/clearinghouse/>

<http://www.hcd.ca.gov/ca/index.html#fac>

<http://www.housingadvocates.org/default.asp?ID=712>

<http://www.hud.gov/assist/siteindex.cfm>

<http://www.nonprofithousing.org/index.atomic>

<http://www.novoco.com/subsidyprograms.shtml>

<http://www.rurdev.usda.gov/ca/housing.html>

APPENDIX D

List of Non-Profit Housing Agencies

CHISPA, Inc.
Dana Cleary
295 Main Street
Salinas, CA 93901
(831) 757-6251

EAH Housing
Alvin Bonnett
2169 East Francisco Blvd. Ste B
San Rafael, CA 94901
(415) 258-1800

Eden Housing
Linda Mandoline
22645 Grand Street
Hayward, CA 94541
(510) 582-1460

Foundation for Affordable Housing, Inc.
Wallace K. Shepherd
2847 Story Rd
San Jose, CA 95127
(408) 923-8260
(408) 923-2706

Housing Corporation of America
Carol Cromar
31423 Coast Highway, Ste. 7100
Laguna Beach, CA 92677
(323) 726-9672

Jamboree Housing Corporation
Lila Lieberthal
2081 Business Center Dr #216
Irvine, CA 92612
(949) 263-8676
(949) 263-0647

Mid-Peninsula Housing Coalition
Ian Lindethal
303 Vintage Park Dr. Ste. 250
Foster City, CA 94404
(650) 356-2900

South County Housing
Matt Huerta
7455 Carmel Street
Gilroy, CA 95020
(408) 842-9181

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

Low Density Residential (LDR)*

Assessor Parcel Number	Location	Acres	General Plan	Zoning Ord. 1038	Constraints	Rezone Acres	Allowed DU/Acre	Capacity based on Historical Density
20-19-8	Cienega	11	LDR	R1-L/PZ	None	0	1-6	49.5
20-19-9	Cienega	11.25	LDR	R1-L/PZ	None	0	1-6	50.625
52-28-1	South Street	4.12	LDR	R1-L/PZ	None	0	1-6	18.54
52-32-1	Buena Vista	5	LDR	R1-L/PZ	None	0	1-6	22.5
52-32-7	Buena Vista	4.27	LDR	R1-L/PZ	None	0	1-6	19.215
54-32-20	Hillcrest Rd	0.47	LDR	R1	None	0	1-6	2.115
54-50-19	NA	0.5	LDR	R1	None	0	1-6	2.25
57-44-2	nr Valleyview	0.8	LDR	R1	None	0	1-6	3.6
58-06-01	Westside	5	LDR	R1	None	0	1-6	22.5
58-06-10	Westside	1.95	LDR	R1	None	0	1-6	8.775
58-05-41	Westside Line	1.25	LDR	R1-L/PZ	None	0	1-6	5.625
58-05-34	Westside Line	3.45	LDR	R1-L/PZ	None	0	1-6	15.525
19-31-59	Santa Ana/Brig	22	LDR	R1	None	0	1-6	99
19-31-61	Santa Ana/Brig	12	LDR	R1	None	0	1-6	54
Subtotal		83						415

* See text discussion regarding historical densities in LDR.

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

Medium Density Residential (MDR)									
Assessor Parcel Number	Location	Acres	General Plan	Zoning Ord. 1038	Constraints	Rezone Acres	Allowed DU/Acre	Calculated "Realistic" Capacity	
20-22-18		1.7	MDR	R3	None	0	8-12	13.6	
52-23-2	Buena Vista	9	MDR	R3-M/PZ	None	0	8-12	72	
54-35--31	Meridian/Hillcrest	45.5	MDR	R3-M/PZ	None	0	8-12	364	
57-37-16	Union Road	12.95	MDR	R3-M/PZ	None	0	8-12	103.6	
Subtotal		69.15				0		553.2	

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

High Density Residential (HDR)									
Assessor Parcel Number	Location	Acres	General Plan	Zoning Ord. 1038	Constraints	Rezone Acres	Allowed DU/Acre	Calculated "Realistic" Capacity	
52-2-2	Line St.	0.82	HDR	R-4-H/PZ	None	0	12-35	9.84	
52-2-3	Line St.	0.6	HDR	R-4-H/PZ	None	0	12-35	7.2	
52-2-4	Line St.	0.3	HDR	R-4-H/PZ	None	0	12-35	3.6	
52-2-5	Line St.	0.54	HDR	R-4-H/PZ	None	0	12-35	6.48	
52-2-6	Line St.	1	HDR	R-4-H/PZ	None	0	12-35	12	
52-3-6	Line St.	0.2	HDR	R-4-H/PZ	None	0	12-35	2.4	
52-3-8	Line St.	0.24	HDR	R-4-H/PZ	None	0	12-35	2.88	
52-3-9	4th/Line	0.2	HDR	R-4-H/PZ	None	0	12-35	2.4	
53-33-1	Locust	3.6	HDR	R-4-H/PZ	None	0	12-35	43.2	
53-33-3	Locust	1.23	HDR	R-4-H/PZ	None	0	12-35	14.76	
53-37-2	North St.	22.47	HDR	R-4-H/PZ	Slope/Fault	0	12-35	150	
57-23-13	Ladd Lane	6	HDR	R-4-H/PZ	None	0	12-35	72	
57-25-8	Valleyview/Aspen	3.14	HDR	R-4-H/PZ	None	0	12-35	37.68	
57-344-620	Sunnyslope Rd.	1.61	HDR	R-4-H/PZ	None	0	12-35	19.32	
57-344-630	Sunnyslope Rd.	1.63	HDR	R-4-H/PZ	None	0	12-35	19.56	
57-44-1	Valleyview	1.19	HDR	R-4-H/PZ	None	0	12-35	14.28	
Subtotal		44.77				0	12	417.6	

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

Mixed Use, West Gateway, (WG)(HDR)								
APN	Location	Acres	General Plan	Zoning Ord. 1038	Constraints	Rezone Acres	Allowed DU/Acre	Calculated "Realistic" Capacity
West Gateway								
52-7-12	Fourth St	1.95	WG	WMU	None	0	20-35	39
52-7-6	Jan/Wests	0.48	WG	WMU	None	0	20-35	9.6
52-7-7	Jan	0.24	WG	WMU	None	0	20-35	4.8
52-7-8	Jan	0.24	WG	WMU	None	0	20-35	4.8
52-8-1	Fourth St	3.3	WG	WMU	None	0	20-35	66
52-9-43	Fourth St	8	WG	WMU	None	0	20-35	160
52-9-44	Fourth St	0.4	WG	WMU	Commercial Use	0	20-35	0
52-9-45	Vacant	2.5	WG	WMU	None	0	20-35	50
52-9-46	Vacant	3.8	WG	WMU	None	0	20-35	76
52-131-210	Fourth St	1.6	WG	WMU	None	0	20-35	32
52-131-280	Fourth St	1.6	WG	WMU	None	0	20-35	32
52-18-5	Fourth St	4.6	WG	WMU	None	0	20-35	92
52-9-8	Fourth St (truck)	5.5	WG	WMU	None	0	20-35	110
52-9-14	Fourth St	13.73	WG	WMU	None	0	20-35	274.6
52-9-49	CSHO	1.6	WG	WMU	Commercial Use	0	20-35	0
52-9-50	Fourth Street	0.5	WG	WMU	Commercial Use	0	20-35	0
52-9-17	Fourth St.	2	WG	WMU	Mobile Home Park	0	20-35	0
52-9-52	Fourth St	1	WG	WMU	Commercial Use	0	20-35	0
52-30-01	Jan Avenue	4.8	WG	WMU	None	0	20-35	96
		57.84				0		1,047
						1/2 acres**	28	20
								560

** Assume one half area will be developed for housing in mixed use district

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

Mixed Use (HDR)

APN	Location	Acres	General Plan	Zoning Ord. 1038	Constraints	Rezone Acres	Allowed DU/Acre	Calculated "Realistic" Capacity
Other								
56-25-19	Prospect	3.36	MU	NMU	Demolition*	0	25-35	84
56-25-24	Prospect	3.1	MU	NMU	Demolition*	0	25-35	77.5
57-7-64	Sunnyslope Rd.	6.97	MU	NMU	None	0	25-35	174.25
57-23-19	Cushman Dr.	3.84	MU	NMU	None	0	25-35	96
Subtotal		17.27						431.75
	1/2 acres**	8.6					25-35	215

* Redevelopment Agency owned demolition environmental review in progress.

** Assume one half area will be developed for housing in mixed use district

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

Downtown Commercial Mixed Use (DMU)(HDR) Suitable for Future Adaptive Reuse

APN	Location	Acres	General Plan	Zoning (Pending)	Constraints	Rezone Acres	Allowed DU/Acre	Realistic Capacity
Multiple	Upper Level		DM	DMU	Cost remodel	0	25-35	115***
54-07-01	McCray Street	3.25	DM	DMU	portion vacant			8
54-19-09	1st Street	0.5	DM	DMU	Com/Vacant	0	25-35	8
54-19-08	140 San Benito	0.29	DM	DMU	vacant		25-35	2
54-19-11	204 San Benito	0.48	DM	DMU	car lot		25-35	4
54-22-15	near 33 San Benito	0.04	DM	DMU	com. parkinglot		25-35	2
54-22-08	33 San Benito	0.16	DM	DMU	com. parkinglot		25-35	2
54-11-01	4th/Monterey	0.23	DM	DMU	com. parkinglot		25-35	4
54-11-02	375 4th	0.4	DM	DMU	com. parkinglot		25-35	4
54-13-02	3rd/Monterey	0.15	DM	DMU	vacant		25-35	2
54-13-01	3rd/Monterey	0.15	DM	DMU	vacant		25-35	2
56-02-04	805-813 San Benito	0.28	DM	DMU	com. parkinglot		25-35	6
56-3-04	East - cannery*	1.36	DM	NMU		0	25-35	0
56-3-2	East - cannery*	1.8	DM	NMU	Active use	0	25-35	0
		3.66				0		
		1.8			1/2 acres			46
					Total			160

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

Old Town Infill MDR and HDR

Assessor Parcel	Acres (sq. ft.)	General Plan	Zoning	Constraints	Rezone acres	Allowed D/U/Acre	Realistic Capacity	Notes
053-220-010	862 4th Street	HDR	OT (HD)	1	0	12-35	3	
053-150-009	652 4th Street	HDR	OT (HD)	1	0	12-35	1	
053-300-011	813 West 2nd Street	HDR	OT (HD)	1	0	12-35	1	
053-300-009	845 West 2nd Street	HDR	OT (HD)	1	0	12-35	1	
053-300-005	875 West 2nd Street	HDR	OT (HD)	1	0	12-35	1	
053-300-016	West 2nd Street	HDR	OT (HD)	vacant	0	12-35	3	Consolidation
053-300-015	797 West 2nd Street	HDR	OT (HD)	1	0	12-35		
053-200-008	649 Central Ave	HDR	OT (HD)	1	0	12-35	2	
053-260-006	650 Central Ave	HDR	OT (HD)	1	0	12-35	2	
053-260-005	662 Central Ave	HDR	OT (HD)	1	0	12-35	2	
053-270-011	765 Central Ave	HDR	OT (HD)	1	0	12-35	2	
053-270-010	766 Central Ave	HDR	OT (HD)	1	0	12-35	2	
Subtotal	Old Town		HDR				20	

053-140-024	594 Fifth Street	MDR	OT (MDR)	vacant	0	8-12	2	
053-091-022	651 Fifth Street	MDR	OT (MDR)	vacant	0	8-12	2	
053-112-022	656 Tiffany Drive	MDR	OT (MDR)	1	0	8-12	1	
055-010-001	477 South Street	MDR	OT (MDR)	1	0	8-12	2	
055-010-002	473 South Street	MDR	OT (MDR)	1	0	8-12	2	
055-010-024	425 South Street	MDR	OT (MDR)	1	0	8-12	2	
055-010-005	834 Monterey Street	MDR	OT (MDR)	1	0	8-12	2	
055-010-007	856 Monterey Street	MDR	OT (MDR)	1	0	8-12	2	
055-010-008	864 Monterey Street	MDR	OT (MDR)	1	0	8-12	4	
055-050-022	949 West Street	MDR	OT (MDR)	1	0	8-12	3	
055-050-009	965 West Street	MDR	OT (MDR)	1	0	8-12	1	
055-100-004	459 Hayden Street	MDR	OT (MDR)	1	0	8-12	4	
056-240-009	10 Nash Road	MDR	OT (MDR)	1	0	8-12	1	
056-230-014	1400 Prune Street	MDR	OT (MDR)	1	0	8-12	1	
056-230-013	1320 Prune Street	MDR	OT (MDR)	1	0	8-12	1	
056-100-033	1024 Monterey Street	MDR	OT (MDR)	3	0	8-12	2	
056-120-019	1071 Monterey St	MDR	OT (MDR)	2	0	8-12		
056-120-018	1085 Monterey Street	MDR	OT (MDR)	1	0	8-12	4	
056-130-021	1097 Monterey Street	MDR	OT (MDR)	2	0	8-12	2	

Appendix E

Table B-2
RHNA Sites (2009-2014), Incorporated City Limits
(Revised March, 2009)

056-120-013	San Benito Street	7280	MDR	OT (MDR)	vacant	0	8-12	4	Consolidation
056-120-032	San Benito Street	5958	MDR	OT (MDR)	vacant	0	8-12		
056-120-012	042 San Benito Street	12400	MDR	OT (MDR)	1	0	8-12		
056-120-015	070 San Benito Street	21728	MDR	OT (MDR)	1	0	8-12	4	Consolidation
056-120-019	7 & 1071 Monterey St	21056	MDR	OT (MDR)	2	0	8-12		
056-120-014	060 San Benito Street	10920	MDR	OT (MDR)	1	0	8-12	1	
056-120-017	098 San Benito Street	10978	MDR	OT (MDR)	1	0	8-12	1	
056-130-017	126 San Benito Street	11450	MDR	OT (MDR)	1	0	8-12		Consolidation
056-0120-016	130 San Benito Street	9618	MDR	OT (MDR)	1	0	8-12	1	
056-200-029	582 San Benito Street	8503	MDR	OT (MDR)	vacant	0	8-12	2	
056-200-014	564 San Benito Street	14,000	MDR	OT (MDR)	1	0	8-12	2	
056-141-018	045 San Benito Street	14000	MDR	OT (MDR)	1	0	8-12	1	
Subtotal		Old Town	MDR					54	

* Development of these sites is constrained by the presence of existing uses.

*** Estimated near term re-use of upper floors from Measure Y

Exemption based on summer 2008 Inventory of Upper Level Floors in Downtown

Note: Calculated realistic capacity utilizes the lowest allowable density in each zoning designation according to the recently adopted Zoning Ordinance (see text discussion of allowed density ranges).

Appendix E (Con't)
Hollister 2009-2014 RHNA Sites Inventory
March 2009

